

ARTICLES OF INCORPORATION

OF

PEANUT BUTTER AND JELLY PRE-SCHOOL, INC.

FILED IN OFFICE OF
STATE CORPORATION COMMISSION
OF NEW MEXICO

APR 29 1974

The undersigned, acting as Incorporators of a corporation formed pursuant to Chapter 51, Article 14 of the New Mexico Statutes of 1953

Annotated, do hereby certify:

I.

NAME: The name of the corporation shall be PEANUT BUTTER AND JELLY PRE-SCHOOL, INC., hereinafter referred to as the Corporation.

II.

PERIOD OF DURATION: The period of duration of corporate existence shall be one hundred (100) years from the date of incorporation, subject to renewal or extension as provided by law.

III.

PURPOSES: The purposes for which the Corporation is organized are:

A. Maintain a school for the instruction of children of all ethnic and social backgrounds, both normal children and children with disabilities, handicaps and emotional disorders, for the purpose of improving and/or developing the capabilities of each child.

B. Promote the general health, social development, education, and welfare of the children through activities which integrate normal, handicapped, and disturbed children in such a way that all the children learn from each other in an atmosphere of acceptance and sensitivity to differences.

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APR 29 1974

ST. CO.

C. Conduct and promote all legal activities or programs necessary and desirable to achieve the general objects of the Corporation.

D. Notwithstanding any other provision of these Articles, the activities of the Corporation shall be limited exclusively to those in furtherance of purposes which enable the Corporation to qualify for tax exempt status within the meaning and provisions of Section 501 (c) (3) of the Internal Revenue Code of 1954 or the corresponding provisions of any future United States Internal Revenue Law.

IV.

POWERS: The Corporation shall have all powers authorized and permitted by law and all powers necessary and incidental to the fulfillment of its purposes.

V.

REGULATION OF INTERNAL AFFAIRS AND DISSOLUTION: Provisions for the regulation of the internal affairs of the Corporation including provisions for the distribution of assets on dissolution are:

A. The Corporation shall not afford pecuniary gain, incidentally or otherwise, to its members of the Board of Directors, officers, or other private persons, except that the Corporation will be authorized and empowered to pay reasonable compensation for services and to make payments or distributions in furtherance of the objects and purposes set forth in Article III.

B. No substantial part of the activities of the Corporation shall further attempts to influence legislation by propaganda or otherwise, and

the Corporation will not participate or intervene directly or indirectly in any political campaign on behalf of or in opposition to any candidate for public office.

C. The Corporation shall only engage in activities permitted to be carried on by a corporation exempt from taxation under Section 501 (c) (3) of the Internal Revenue Code of 1954 or by a corporation, contributions to which are deductible under Section 170 (c) (2) or the corresponding provisions of future United States Internal Revenue Laws.

D. On the dissolution of this Corporation, its assets remaining after payment of all debts and liabilities shall be distributed to a non-profit fund, foundation or corporation organized and operated exclusively for charitable, educational and scientific purposes, and that has established its tax exempt status under Section 501 (c) (3) of the Internal Revenue Code of 1954 or the corresponding provisions of any future United States Internal Revenue Law.

VI.

ADDRESS: The address of the registered office of the Corporation is Albuquerque, Bernalillo County, New Mexico and elsewhere as shall be determined by the Board of Directors from time to time and pursuant to law.

VII.

DIRECTORS: The number of directors constituting the Initial Board of Directors of the Corporation is five, and they shall serve in such capacity until their successors are elected. The names and addresses of the persons who are to serve as the initial directors are:

<u>Name</u>	<u>Address</u>
Anita Gonzales	426 64th, S.W. Albuquerque, New Mexico
Susanne Lopez	2225 Ana Court, N.E. Albuquerque, New Mexico
Regina Ricci	2514 Gun Club Road, S.W. Albuquerque, New Mexico
Ramona Lujan	2969 Clover, S.W. Albuquerque, New Mexico
Angela Grodner	411 Columbia Drive, S.E. Albuquerque, New Mexico

VIII.

AMENDMENT OF ARTICLES: These Articles of Incorporation may be amended only upon the affirmative vote of two-thirds (2/3) of the Board of Directors at a duly called and held meeting for that purpose.

IX.

INCORPORATORS: The name and address of each Incorporator is:

<u>Name</u>	<u>Address</u>
Regina Ricci	2514 Gun Club Road, S.W. Albuquerque, New Mexico
Angela Grodner	411 Columbia Drive, S.E. Albuquerque, New Mexico
Christine Ruiz	828 Gatewood Avenue, S.W. Albuquerque, New Mexico

Dated this 28th day of January, 1974.

Incorporators:

15/ Regina Ricci
15/ Angela Grodner
15/ Christine Ruiz

STATE OF NEW MEXICO

County of Bernalillo...ss

Rezin Ricci, Angela Graham and Christie Ruiz personally appeared before me this 28th day of January, 1974, and being duly sworn, affirmed they are the incorporators in the foregoing instrument entitled Articles of Incorporation of Peanut Butter and Jelly Pre-School, Inc., and they acknowledge the instrument to their voluntary acts and deed.

(Notary seal)

My Commission Expires:

9/17/77

Linda S. Miner
Notary Public



Certificate of Filing

United States of America }
State of New Mexico } ss.

It Is Hereby Certified that there was filed for record in the office of the State Corporation Commission of the State of New Mexico on the-----29th-----
-----day of-----April, 1974-----

ARTICLES OF INCORPORATION

OF

PEANUT BUTTER AND JELLY PRE-SCHOOL, INC.

(80,277)



In Testimony Whereof, the State Corporation Commission of the State of New Mexico has caused this certificate to be signed by its Chairman and the seal of said Commission to be affixed at the City of Santa Fe on this-----29th-----
-----day of-----April, 1974-----



CERTIFICATE OF COMPARISON
OF

PEANUT BUTTER AND JELLY PRE-SCHOOL, INC.

The State Corporation Commission certifies that the attached is a true copy of the following document filed in this office:

Articles of Incorporation-----Filed: April 29, 1974

(80,277)



*In Testimony Whereof, the State Corporation
Commission of the State of New Mexico
has caused this certificate to be signed
by its Chairman and the seal of said
Commission to be affixed at the City of
Santa Fe on this 29th
day of April, 1974*

Internal Revenue Service

Date: February 6, 2007

P B & J FAMILY SERVICES INC
1101 LOPEZ RD SW
ALBUQUERQUE NM 87105-3954

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Person to Contact:
Ms. Mills 31-08706
Customer Service Representative
Toll Free Telephone Number:
877-829-5500
Federal Identification Number:
85-0231566

Dear Sir or Madam:

This is in response to your request of February 6, 2007, regarding your organization's tax-exempt status.

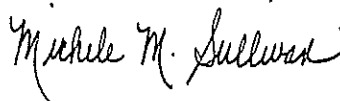
In August 1974 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations 1

Internal Revenue Service
District Director

Department of the Treasury

P. O. Box 2508
Cincinnati, OH 45201

Date: May 20, 1999

Person to Contact:
Vicki Adams 31-04011
Customer Service Representative
Telephone Number:
877-829-5500
Fax Number:
513-684-5936
Federal Identification Number:
85-0231566

P B & J Family Services, Inc.
1101 Lopez Rd. SW
Albuquerque, NM 87105-3954

Dear Sir or Madam:

This letter is in response to our receiving a copy of your Amended Articles of Incorporation, dated February 17, 1999, changing the name of your organization to what is shown above.

Our records indicate that a determination letter issued in August 1974 granted your organization exemption from federal income tax under section 501(c)(3) of the Internal Revenue Code. That letter is still in effect.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

P B & J Family Services, Inc.
85-0231566

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

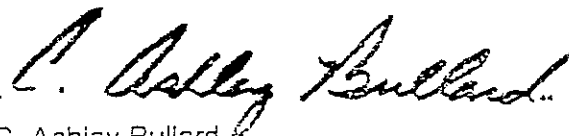
Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

This letter affirms your organization's exempt status.

Sincerely,

A handwritten signature in dark ink, appearing to read "C. Ashley Bullard". The signature is fluid and cursive, with the first name "C." and last name "Bullard" clearly legible.

C. Ashley Bullard
District Director

Internal Revenue Service
District Director

Department of the Treasury

Date: September 22, 1976

Our Letter Dated:

August 19, 1974

Person to Contact:

Jean R. Mitchell

Contact Telephone Number:

(512) 397-5718

AIRTEL: 76-1728

Peanut Butter and Jelly Pre-School, Inc.
c/o Angela Grodner
1108 Airway SW
Albuquerque, NM 87105

Gentlemen:

This modifies our letter of the above date in which we stated that you would be treated as an organization which is not a private foundation until the expiration of your advance ruling period.

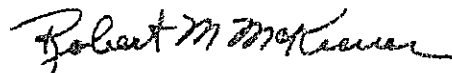
Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code, because you are an organization of the type described in section 170(b)(1)(A)(vi). Your exempt status under section 501(c)(3) of the code is still in effect.

Grantors and contributors may rely on this determination until the Internal Revenue Service publishes notice to the contrary. However, a grantor or a contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section 509(a)(1) status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,



Robert M. McKeever
District Director



Raymond Garcia

[Log Out](#)

⚠ ALERT: SAM.gov will be down for scheduled maintenance Saturday, 09/14/2019, from 8:00 AM to 1:00 PM (EDT).

⚠ ALERT: Due to increased volume and additional security requirements, a high number of entity registrations are pending CAGE review. Processing time currently exceeds the normal window of ten business days. Some users may experience processing delays of up to four weeks. Respond promptly if you are contacted by a CAGE Technician for additional information. Contact the [CAGE Help Desk](#) with urgent questions about a registration pending CAGE review.

Entity Dashboard

P B & J FAMILY SERVICES INC
DUNS: 182628412 CAGE Code: 4FERo
Status: Active
Expiration Date: 07/16/2020
Purpose of Registration: All Awards

1101 LOPEZ RD SW
ALBUQUERQUE, NM, 87105-3954,
UNITED STATES

Entity Overview

Entity Registration Summary

Name: P B & J FAMILY SERVICES INC
Business Type: Business or Organization
Last Updated By: Raymond Garcia
Registration Status: Active
Activation Date: 07/17/2019
Expiration Date: 07/16/2020

Exclusion Summary

Active Exclusion Records? No

[RETURN TO SEARCH](#)

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**PB&J FAMILY SERVICES, INC.
AND AFFILIATE**

**CONSOLIDATED FINANCIAL
STATEMENTS**

JUNE 30, 2018

PB&J FAMILY SERVICES, INC. AND AFFILIATE

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PB&J FAMILY SERVICES, INC. AND AFFILIATE

OFFICIAL ROSTER

Peter Klages	President
Sarah Gopman	Vice President
Beth Miller	Secretary
Christina Archibeque	Member
Barbara Bergman	Member
Stewart Duban	Member
Fermin Gonzales	Member
Christine Landavazo	Member
Gianna Mendoza	Member
Lucas Pedraza	Member
Sue Gunckel	Member
Joan Hart	Member
Beate Hitzler	Member
Ramona Lujan	Member
Jolene Maes	Member
Susannah Burke	Executive Director



Independent Auditor's Report

To the Board of Directors
PB&J Family Services, Inc.
Albuquerque, New Mexico

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of PB&J Family Services, Inc. (PB&J, a not-for-profit corporation) and its related affiliate, Peanut Butter & Jelly, Inc. Property Corporation, (the Organization), which comprise the consolidated statement of financial position as of June 30, 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of PB&J Family Services, Inc. and its affiliate Peanut Butter & Jelly, Inc. Property Corporation as of June 30, 2018, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2019, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



Albuquerque, New Mexico
April 26, 2019

PB&J FAMILY SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2018

ASSETS

Current Assets

Cash and cash equivalents	
Unrestricted	\$ 699,858
Restricted	64,495
Accounts receivable	492,322
Other receivables	173,112
Prepaid expenses and other assets	16,413
	<hr/>
Total current assets	1,446,200
	<hr/>

Other Assets

Investment in permanent endowment funds	
Restricted by donor	26,539
Board designated	61,925
Other investments, net of depletion of oil well	1,000
	<hr/>
Total other assets	89,464
	<hr/>

Property and equipment, net of accumulated depreciation	<hr/>
	277,115
	<hr/>
Total assets	\$ 1,812,779
	<hr/> <hr/>

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 74,246
Accrued expense	113,846
Current portion of capital lease obligations	7,503
	<hr/>
Total current liabilities	195,595
	<hr/>

Capital lease obligations, less current porttion	<hr/>
	27,719
	<hr/>

Net Assets

Unrestricted	
Undesignated	1,276,506
Designated for permanent endowment	61,925
Temporarily restricted	251,034
	<hr/>
Total net assets	1,589,465
	<hr/>

Total liabilities and net assets	\$ 1,812,779
	<hr/> <hr/>

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended June 30, 2018

	Unrestricted	Temporarily Restricted	Total
Revenues and Support			
Contracts and grants	\$ 3,749,807	-	3,749,807
Contributions	318,955	69,009	387,964
In-kind donations	1,574	-	1,574
Noncash exchange of services	185,977	-	185,977
Outside services income	2,184	-	2,184
Investment income	1,496	2,682	4,178
Other revenue	7,152	-	7,152
Total revenues and support	4,267,145	71,691	4,338,836
Net assets released from restrictions	174,421	(174,421)	-
Total revenues and support	4,441,566	(102,730)	4,338,836
Expenses			
Programs			
Preschool	2,347,193	-	2,347,193
Home-based	570,111	-	570,111
ImPACT	840,883	-	840,883
Total programs	3,758,187	-	3,758,187
Property management	5,011	-	5,011
Management and general	579,137	-	579,137
Fundraising	47,183	-	47,183
Total expenses	4,389,518	-	4,389,518
Change in net assets	52,048	(102,730)	(50,682)
Net assets, beginning of year	1,286,383	353,764	1,640,147
Net assets, end of year	\$ 1,338,431	251,034	1,589,465

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2018

	Program Services			Supportive Services			Total
	Preschool	Home-Based	ImPACT	Property Management	Management and General	Fundraising	
Salaries	\$ 1,422,573	354,508	480,472	-	411,232	24,003	2,692,788
Employee benefits	149,886	50,497	45,952	-	52,903	5,713	304,951
Payroll taxes	143,323	36,501	53,376	-	33,371	1,989	268,560
Total salaries and related expenses	1,715,782	441,506	579,800	-	497,506	31,705	3,266,299
Building and occupancy	169,017	29,734	19,451	-	4,644	-	222,846
Professional services	16,357	2,333	162,025	-	27,654	170	208,539
In-kind rent	145,027	16,537	12,600	-	11,812	-	185,976
Travel	50,637	37,495	42,056	-	690	442	131,320
Supplies	70,984	3,443	6,959	-	4,602	91	86,079
Miscellaneous	-	24,624	5,610	-	20,619	9,407	60,260
Insurance	45,265	6,371	3,206	-	-	-	54,842
Printing and publishing	20,447	3,984	2,732	-	46	4,926	32,135
Education and training	13,771	3,767	6,173	-	2,380	-	26,091
Repairs and maintenance	18,411	107	-	-	3,505	-	22,023
Equipment rental	2,419	-	191	-	1,916	-	4,526
Postage and shipping	1,490	210	80	-	170	442	2,392
Total other expenses	553,825	128,605	261,083	-	78,038	15,478	1,037,029
Depreciation	68,180	-	-	5,011	-	-	73,191
Interest	9,406	-	-	-	3,593	-	12,999
Total expenses	\$ 2,347,193	570,111	840,883	5,011	579,137	47,183	4,389,518

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF CASH FLOWS
Years Ended June 30, 2018

Cash Flows From Operating Activities	
Cash received from grants and contracts	\$ 3,569,707
Cash received from contributions	490,052
Cash received from other sources	6,581
Cash paid to employees and suppliers	(4,115,615)
Interest paid	(12,999)
Net cash used by operating activities	<u>(62,274)</u>
Cash Flows From Investing Activities	
Purchase of equipment	(14,186)
Endowment purchases	(144)
Net cash used by investing activities	<u>(14,330)</u>
Cash Flows From Financing Activities	
Principals payments on capital lease obligations	(6,110)
Net cash used by financing activities	<u>(6,110)</u>
Net decrease in cash and cash equivalents	(82,714)
Cash and cash equivalents, beginning of year	<u>847,067</u>
Cash and cash equivalents, end of year total	764,353
Less: restricted cash	<u>(64,495)</u>
Cash and cash equivalents, end of year unrestricted	<u><u>\$ 699,858</u></u>
Reconciliation of Change in Net Assets to Net Cash	
Used by Operating Activities	
Change in net assets	\$ (50,682)
Adjustments to reconcile change in net assets to	
net cash used by operating activities	
Depreciation	73,191
Net realized/unrealized gains/losses on endowments	(4,749)
Changes in operating assets and liabilities	
Accounts receivable	(158,715)
Other receivables	102,088
Prepaid expenses and other assets	32,719
Accounts payable	(38,455)
Accrued expenses	7,472
Due to related party	(25,143)
Net cash used by operating activities	<u><u>\$ (62,274)</u></u>

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation. PB&J Family Services, Inc. (PB&J) is financially interrelated through control and economic interest to another not-for-profit organization, Peanut Butter & Jelly, Inc. Property Corporation (the Corporation). Generally accepted accounting principles in the United States of America require the financial statements of PB&J and its affiliated organization to be consolidated (the Organization). All significant inter-organization accounts and transactions have been eliminated.

Nature of Activities. PB&J is a child abuse prevention program in the Albuquerque metropolitan area focused on helping families to acquire the skills to provide safe and loving homes for their children. The following are descriptions of some of the major programs and activities. The Corporation manages some of the property that PB&J leases.

Peanut Butter & Jelly Therapeutic Preschool – The Preschool’s program serves children from birth to age five and their families in an intensive, interactive parenting, child development, and early intervention program. Virtually all the families have incomes below the federal poverty line and are further challenged by mental illness, developmental disabilities, substance abuse, domestic violence, incarceration, or involvement with the New Mexico Children, Youth and Families Department for abuse, and neglect.

ImPACT/KidPACT - These programs work with incarcerated parents, their children, and families. ImPACT operates in a number of New Mexico prisons and the Metropolitan Detention Center in Albuquerque. Parent education classes, therapeutic visitation between parents and children, intensive case management for children and their caregivers in the community, as well as parole and reintegration support for the released parent are provided in order to support family reunification and reduce recidivism. KidPACT provides in-school support groups for children of prisoners designed to address school success and to improve overall school and social functioning.

Home-Based/Supported Living – This program provides in-home parenting, family support, and case management services to high risk families with children from birth to 18 years and to families in which one or both parents are developmentally disabled or have significant mental health issues.

Basis of Accounting. The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Use of Estimates. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents. For purposes of the statements of cash flows, the Organization considers all short-term highly liquid instruments to be cash equivalents provided they are both readily convertible to cash and had an original maturity of three months or less when purchased.

Accounts Receivable. Accounts receivable are stated at face value. Management uses historical experience applied to an aging of accounts. Accounts receivable are written off when deemed uncollectible, when all efforts result in noncollection. No interest is charged on late receivables. Receivables are considered past due if the balance is outstanding for more than 90 days.

Pledges Receivable. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional and legally enforceable. If a donor states an intent to give rather than a promise to give, contributions are recorded in the year payment is received. Contributions that are restricted by donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. Pledges receivable were \$160,000 as of June 30, 2018.

Gifts of long-lived assets are reported as unrestricted support unless the donor has restricted the use of the assets for specific purposes. Long-lived assets with explicit restrictions and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Allowance for Doubtful Accounts. An allowance for doubtful accounts has not been provided as management believes that all receivables are fully collectible.

Property and Equipment. Property and equipment are stated at cost or, if donated, at the estimated fair value on the date of donation. Expenditures for property and equipment in excess of \$1,000 are capitalized and depreciated on a straight-line basis over their estimated useful life. Replacements, maintenance, and repairs that do not improve or extend the life of the respective assets are expensed as incurred. Lives of property and equipment are as follows:

Buildings and leasehold improvements	30 years
Furniture and equipment	3 – 5 years
Vehicles	3 – 5 years

Investments. Endowment funds are invested with the Albuquerque Community Foundation in a pooled fund of marketable securities valued at net realizable value, as determined by quoted prices as provided by the investment manager, who pools all funds and allocates investment activity to each fund accordingly. All investments in debt securities are reported at their fair values in the statement of financial position (see Note 12). Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contract Service Revenue. The Organization receives revenue from federal, state and local contracts on a cost reimbursement, lump sum and a per-unit-served basis. These contracts and grants are for services performed by the Organization and, accordingly have been accounted for as exchange type transactions. A majority of these contracts are with various agencies of the State of New Mexico and make up a significant portion of the Organization's revenues. Monies that are received before the services are substantially performed are deferred as liabilities. Once the services are substantially performed the monies are recognized as revenues. At June 30, 2018, there were no deferred revenues.

Refundable Advances. Occasionally, the Organization will receive grant funding that contains specific conditions that must be met by the Organization or the funds will revert back to the grantor. Because these funds are conditional, the funding is recoded as a refundable advance and deferred until such time as the conditions are met. At that point in time, the contribution income is recognized. At June 30, 2018, there were no refundable advances recorded.

Financial Statement Presentation. In accordance with generally accepted accounting standards, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted and Board Designated Net Assets. Undesignated, unrestricted net assets are used to account for all resources over which the Board of Directors has discretionary control. The Board of Directors has designated net assets of \$61,925 as of June 30, 2018, for the endowment fund. Support whose restrictions are met in the same reporting period are reported as unrestricted support. Restricted investment income and gains whose restrictions are met in the same reporting period are reported as unrestricted.

Temporarily Restricted Net Assets. Temporarily restricted net assets result from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

Permanently Restricted Net Assets. Permanently restricted net assets result from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that cannot be removed by actions of the Organization.

Financial Instruments. The Organization's financial instruments consist of accounts receivable and accounts payable. It is management's opinion that the Organization is not exposed to significant interest rate or credit risks arising from these instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying value. The maximum potential loss from credit risk is equal to the carrying value. The Organization does not require collateral on these financial instruments.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Assets Held by Community Foundation. On November 7, 2007, the Organization established an “Agency Endowment Fund” (Agreement) at the Albuquerque Community Foundation (Foundation) with an initial contribution of \$50,000 from the Organization’s funding sources and another \$10,010 from donors of Angie’s Legacy. The Agreement and all contributions made to the fund are irrevocable. Under the terms of the Agreement, the Foundation may substitute another beneficiary in place of the Organization if the Organization ceases to be a qualified charitable organization. The Board of Trustees of the Foundation can modify the provisions of the Agreement designating use of the endowment if the purposes for which it was created ever become obsolete, incapable of fulfillment, or inconsistent with the charitable purposes of the Foundation. Annual distributions are calculated in accordance with the Foundation’s distribution policy and can be used by the Organization or can be added to the principal of the endowment.

Accounting Standards Codification (ASC), *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*, establishes standards for transactions in which a donor transfers assets to a not-for-profit organization or charitable trust that accepts the contribution with the stipulation that the recipient organization use those assets, the return on investment of those assets, or both, on behalf of the beneficiary that is specified by the donor. ASC specifically requires a not-for-profit organization that establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund and grants the community foundation unilateral variance power must account for the transfer of such assets as an asset on its financial statements. Accordingly, the Organization has recognized the transfer to the Foundation of the \$50,000 as an asset called “permanent endowment”, included with other assets in the statements of financial position. The donations to Angie’s Legacy of \$10,010 were given to the Organization with the intent that the Organization would be the beneficiary of any earnings. Variance power was not explicitly granted by the original donors to the community foundation, and so these funds are also considered an asset of the Organization.

Endowment Classification. New Mexico law requires New Mexico organizations with endowments to adhere to the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). The law states that a not-for-profit organization that is subject to an enacted version of the UPMIFA shall classify a portion of a donor-restricted endowment fund of perpetual duration as permanently restricted net assets. The amount classified as permanently restricted shall be either a) the amount of the fund that must be retained permanently in accordance with explicit donor stipulations or b) the amount of the fund that, in the absence of explicit donor stipulations, the Organization’s governing board determines must be retained permanently consistent with the relevant law.

The original donors of the endowment funds did not explicitly state that the funds were to remain in perpetuity, and the Organization’s board of directors interpreted New Mexico’s UPMIFA law and do not conclude that the State of New Mexico requires endowment funds to remain in perpetuity in lieu of explicit donor stipulations. Accordingly, the Organization has classified the donor endowment funds as temporarily restricted, until the funds are used for their intended purpose, and have included the endowment with other long-term assets in the statements of financial position.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes. PB&J is exempt from income taxes under Section 501(c)(3). The Corporation is exempt under Section 501(c)(2), of the Internal Revenue Code. Both organizations have been designated as other than private foundations.

The Organization would record a liability for uncertain tax positions when it became probable that a loss has been incurred and the amount can be reasonably estimated. Interest would be recognized and accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. Expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings are continually evaluated. As of June 30, 2018, no liabilities for uncertain tax positions have been recorded. The Organization's tax returns for the fiscal years ended 2015 to 2018, by statute, may be subject to normal federal and state examination.

Donated Services and Materials. The Organization recognizes donated services that require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Such donations are reported at their estimated fair market value at the date of the donation as unrestricted support. Donated materials are recorded at the fair market value of the materials on the date of donation.

Expense Allocations. Expenses are allocated primarily to the various programs on a specific identification basis. Those expenses of an indirect nature or which benefit all programs are considered program services. Indirect expenses that do not benefit programs are classified as supporting services.

Operating Cycle. The majority of the Organization's income is derived from state and federal contracts and grants. The lengths of the contracts vary, but they are generally one year or less.

Subsequent Events. Subsequent events were evaluated through April 26, 2019, which is the date the financial statements were available to be issued.

NOTE 2. CASH AND CASH EQUIVALENTS

At June 30, 2018, the carrying amount of the Organization's cash was \$764,353, which includes \$500 cash on hand. The bank balances were \$714,094. Limits on the accounts were insured up to \$250,000 under FDIC coverage per customer through June 30, 2018.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 3. OTHER INVESTMENTS

Investments, at fair value, consist of the following at June 30, 2018:

Cemetery plot and interest in oil wells	\$ 26,000
Less depletion on oil wells	<u>(25,000)</u>
Total	<u>\$ 1,000</u>

There was no depletion expense for the year ended June 30, 2018. The carrying value of investments above approximates fair value.

NOTE 4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2018:

Land	\$ 67,306
Buildings and leasehold improvements	750,133
Furniture and equipment	576,739
Vehicles	<u>459,360</u>
	1,853,538
Accumulated depreciation	<u>(1,576,423)</u>
Net property and equipment	<u>\$ 277,115</u>

Vans with a net book value of zero at June 30, 2018, are restricted as to their use as designated by granting agencies under government contracts and are included in total vehicle cost. Included in the original vehicles cost above are in-kind donations from the New Mexico State Highway and Transportation Department which represents 80% of the cost of the vans, or \$126,234.

NOTE 5. RETIREMENT PLAN

PB&J maintains a qualified 403(b) retirement plan. Eligible employees may defer a portion of their salary under this plan. At the discretion of the Board of Directors, the PB&J contributes a discretionary match of salaries for all eligible employees. The plan has no age requirement and employees may participate immediately. Employer matching is 100% vested after two years of service. Total employer contributions were \$26,562 for the year ended June 30, 2018, with no additional discretionary contributions for the year.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 6. NOTES PAYABLE – AFFILIATE

During the year ending June 30, 2005, PB&J loaned \$118,030 to PB&J Property Corporation (an affiliate) to purchase property acquired by PB&J in 2005, creating a loan receivable to PB&J and loan payable from PB&J Property Corporation. The loan bears interest of 7.95%, with monthly payments of \$1,126 for fifteen years. PB&J then entered into a lease agreement with PB&J Property Corporation for the use of the property. The amount of the lease payment is equal to the monthly payment for the loan. In July 2010, PB&J loaned \$49,020 to PB&J Property Corporation to purchase property. The loan bears interest of 7.95%, with monthly payments of \$607 for 10 years. PB&J then entered into a lease agreement with PB&J Property Corporation for the use of the property. The amount of the lease payment is equal to the monthly payment for the loan. The income and balance sheet account balances affected by these transactions have been eliminated, accordingly, to consolidate the financial statements of PB&J and its affiliate. The balance of the loan payable/receivable for the two companies was \$31,829 as of June 30, 2018, and was eliminated upon consolidation.

Maturities of the notes payable/receivable for the years ending June 30 are as follows:

2019	\$ 18,709
2020	<u>13,120</u>
Total	<u><u>\$ 31,829</u></u>

NOTE 7. UNRESTRICTED NET ASSETS – BOARD DESIGNATED

Board designated net assets include an endowment established in 2007 for investment purposes. The balance in the endowment as of June 30, 2018 was \$61,925.

NOTE 8. TEMPORARILY RESTRICTED NET ASSETS

Net assets of \$251,034 at June 30, 2018, are temporarily restricted. Temporarily restricted net assets include \$160,000 pledged by donors; temporarily restricted for time purposes as of June 30, 2018. Also included in temporarily restricted net assets are the donor funds used to establish an endowment with the Albuquerque Community Foundation for Angie's Legacy in the amount of \$26,539 as of June 30, 2018. These funds are considered temporarily restricted until used by the Organization for their intended purpose (See Note 9). The remainder of the temporarily restricted balance for 2018 relates to funds restricted for expenditures for the ImPACT, Preschool and other programs.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 9. ENDOWMENT FUNDS

The Organization follows the Albuquerque Community Foundation's policies with regard to investing and spending. The Albuquerque Community Foundation's policies stipulate that annual distributions will be calculated (not to exceed 5% of the value of the endowment) for PB&J's spending. However, PB&J can make the determination to leave any annual distributions in the endowment to continue to grow. As of June 30, 2018, PB&J has not taken an annual distribution from the endowment funds. If funds were to be taken as a distribution, the Board of Directors would make the recommendation as to the purpose of the funds to be spent.

Changes in endowment net assets are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, June 30, 2017	\$ 59,714	23,857	-	83,571
Investment income, net of expense	\$ (1,161)	1,305	-	144
Net appreciation (realized and unrealized)	3,372	1,377	-	4,749
Total investment gain	2,211	2,682	-	4,893
Change in endowment net assets	2,211	2,682	-	4,893
Endowment net assets, June 30, 2018	\$ 61,925	26,539	-	88,464

NOTE 10. NONCASH EXCHANGE OF SERVICES

PB&J has two primary locations. A portion of the main headquarters is leased from the County of Bernalillo with a portion owned by PB&J. The lease, dated July 1, 2005, is for a term of 5 years with options to renew the lease for up to an additional 25 years. In July 2010, the first option to renew for the first five-year term was approved. In July 2015, the second option to renew for an additional five-year term was approved. The terms of the lease call for annual rent of \$83,502. The rent is to be paid with cash equivalent services provided by PB&J for disabled and indigent residents of Bernalillo County. Any short-fall in provided services is to be paid in cash by PB&J to the County of Bernalillo.

PB&J opened a location in the South East Heights area of Albuquerque, NM in September 2011 and entered into a facility agreement with Bernalillo County. The lease is for a term of 5 years, with one additional five-year option which was approved in 2017. The annual rent is \$78,750, and is to be paid with cash equivalent services provided by PB&J. Any short fall is to be paid in cash by PB&J.

PB&J rents facilities from the Town of Bernalillo, NM under a lease that began in July 2014. The lease is for a term of 5 years, with five additional five-year options to renew. A part of the consideration for these arrangements is the provision of space in exchange for the provision of services at the facilities. The annual rent is \$23,725, and is to be paid with cash equivalent services provided by PB&J. Any short fall is to be paid in cash by PB&J.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 10. NONCASH EXCHANGE OF SERVICES (CONTINUED)

For the year ending June 30, 2018, PB&J received and recognized \$185,977, in meals, professional services, rent, utilities, and insurance in exchange for services. The services provided to the County of Bernalillo and the Town of Bernalillo were sufficient to cover the required annual services of the two agreements.

Future minimum rental payments for all noncash exchange of services are as follows:

Year ending June 30,	
2019	\$ 185,977
2020	162,252
2021	78,750
2022	<u>6,563</u>
Total	<u>\$ 433,542</u>

NOTE 11. COMMITMENTS

The Organization leases various copiers, fax and finishers under two operating leases which matured in 2018. For the year ending June 30, 2018, lease expense was \$17,901.

The Organization leases equipment under a capital lease agreement, which expires November 2021. Amortization of assets held under capital leases is included with depreciation expense. The capitalized leased assets included in leased equipment consisted of the following at June 30, 2018:

Equipment	\$ 44,142
Accumulated amortization	<u>(13,978)</u>
Total	<u>\$ 30,164</u>

Future capital lease payments are as follows:

2019	\$ 15,516
2020	15,516
2021	15,516
2022	<u>6,467</u>
Minimum lease payments	53,015
Amount representing interest	<u>(17,793)</u>
Present value of lease payments	35,222
Current portion	<u>(7,503)</u>
Long-term obligations under lease	<u>\$ 27,719</u>

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 12. FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at June 30, 2018 are as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)
<u>June 30, 2018</u>			
Endowment investments- board designated	\$ 61,925	-	61,925
Endowment investments- donor restricted	26,539	-	26,539
Cemetery plot and interest in oil wells	1,000	-	1,000
Total	<u>\$ 89,464</u>	<u>-</u>	<u>89,464</u>

Fair values for long-term investments and endowment investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

The original carrying value of \$1,000 for the burial plot and \$25,000 for oil rights was established in previous years. The oil rights were fully depleted as of June 30, 2018. As in previous years, the carrying values above are estimated to approximate fair values.

NOTE 13. ECONOMIC DEPENDENCE

PB&J has contracts with various State and Federal agencies. Significant revenues of PB&J include funding from CYFD (Children Youth and Families Department) and Medicaid. Revenues from these sources were approximately 51% of total revenues for the year ended June 30, 2018.



**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed
In Accordance with *Government Auditing Standards***

To the Board of Directors of
PB&J Family Services, Inc.
Albuquerque, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of PB&J Family Services, Inc. (a nonprofit organization) and its affiliate Peanut Butter & Jelly, Inc. Property Corporation (the Organization), which comprise the consolidated statement of financial position as of June 30, 2018, and the related consolidated statements of activities and cash flows for the year then ended, and the related consolidated notes to the financial statements, and have issued our report thereon dated April 26, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors of
PB&J Family Services, Inc.
Albuquerque, New Mexico

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Albuquerque, New Mexico
April 26, 2019

Not
Applicable

**PB&J FAMILY SERVICES, INC.
AND AFFILIATE**

**CONSOLIDATED FINANCIAL
STATEMENTS**

JUNE 30, 2018

PB&J FAMILY SERVICES, INC. AND AFFILIATE

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PB&J FAMILY SERVICES, INC. AND AFFILIATE

OFFICIAL ROSTER

Peter Klages	President
Sarah Gopman	Vice President
Beth Miller	Secretary
Christina Archibeque	Member
Barbara Bergman	Member
Stewart Duban	Member
Fermin Gonzales	Member
Christine Landavazo	Member
Gianna Mendoza	Member
Lucas Pedraza	Member
Sue Gunckel	Member
Joan Hart	Member
Beate Hitzler	Member
Ramona Lujan	Member
Jolene Maes	Member
Susannah Burke	Executive Director



Independent Auditor's Report

To the Board of Directors
PB&J Family Services, Inc.
Albuquerque, New Mexico

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of PB&J Family Services, Inc. (PB&J, a not-for-profit corporation) and its related affiliate, Peanut Butter & Jelly, Inc. Property Corporation, (the Organization), which comprise the consolidated statement of financial position as of June 30, 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of PB&J Family Services, Inc. and its affiliate Peanut Butter & Jelly, Inc. Property Corporation as of June 30, 2018, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 26, 2019, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



Albuquerque, New Mexico
April 26, 2019

PB&J FAMILY SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2018

ASSETS

Current Assets

Cash and cash equivalents	
Unrestricted	\$ 699,858
Restricted	64,495
Accounts receivable	492,322
Other receivables	173,112
Prepaid expenses and other assets	16,413
	<hr/>
Total current assets	1,446,200
	<hr/>

Other Assets

Investment in permanent endowment funds	
Restricted by donor	26,539
Board designated	61,925
Other investments, net of depletion of oil well	1,000
	<hr/>
Total other assets	89,464
	<hr/>

Property and equipment, net of accumulated depreciation	<hr/>
	277,115
	<hr/>
Total assets	\$ 1,812,779
	<hr/>

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 74,246
Accrued expense	113,846
Current portion of capital lease obligations	7,503
	<hr/>
Total current liabilities	195,595
	<hr/>

Capital lease obligations, less current porttion	<hr/>
	27,719
	<hr/>

Net Assets

Unrestricted	
Undesignated	1,276,506
Designated for permanent endowment	61,925
Temporarily restricted	251,034
	<hr/>
Total net assets	1,589,465
	<hr/>

Total liabilities and net assets	\$ 1,812,779
	<hr/>

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF ACTIVITIES
Year Ended June 30, 2018

	Unrestricted	Temporarily Restricted	Total
Revenues and Support			
Contracts and grants	\$ 3,749,807	-	3,749,807
Contributions	318,955	69,009	387,964
In-kind donations	1,574	-	1,574
Noncash exchange of services	185,977	-	185,977
Outside services income	2,184	-	2,184
Investment income	1,496	2,682	4,178
Other revenue	7,152	-	7,152
Total revenues and support	4,267,145	71,691	4,338,836
Net assets released from restrictions	174,421	(174,421)	-
Total revenues and support	4,441,566	(102,730)	4,338,836
Expenses			
Programs			
Preschool	2,347,193	-	2,347,193
Home-based	570,111	-	570,111
ImPACT	840,883	-	840,883
Total programs	3,758,187	-	3,758,187
Property management	5,011	-	5,011
Management and general	579,137	-	579,137
Fundraising	47,183	-	47,183
Total expenses	4,389,518	-	4,389,518
Change in net assets	52,048	(102,730)	(50,682)
Net assets, beginning of year	1,286,383	353,764	1,640,147
Net assets, end of year	\$ 1,338,431	251,034	1,589,465

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2018

	Program Services			Supportive Services			Total
	Preschool	Home-Based	ImPACT	Property Management	Management and General	Fundraising	
Salaries	\$ 1,422,573	354,508	480,472	-	411,232	24,003	2,692,788
Employee benefits	149,886	50,497	45,952	-	52,903	5,713	304,951
Payroll taxes	143,323	36,501	53,376	-	33,371	1,989	268,560
Total salaries and related expenses	1,715,782	441,506	579,800	-	497,506	31,705	3,266,299
Building and occupancy	169,017	29,734	19,451	-	4,644	-	222,846
Professional services	16,357	2,333	162,025	-	27,654	170	208,539
In-kind rent	145,027	16,537	12,600	-	11,812	-	185,976
Travel	50,637	37,495	42,056	-	690	442	131,320
Supplies	70,984	3,443	6,959	-	4,602	91	86,079
Miscellaneous	-	24,624	5,610	-	20,619	9,407	60,260
Insurance	45,265	6,371	3,206	-	-	-	54,842
Printing and publishing	20,447	3,984	2,732	-	46	4,926	32,135
Education and training	13,771	3,767	6,173	-	2,380	-	26,091
Repairs and maintenance	18,411	107	-	-	3,505	-	22,023
Equipment rental	2,419	-	191	-	1,916	-	4,526
Postage and shipping	1,490	210	80	-	170	442	2,392
Total other expenses	553,825	128,605	261,083	-	78,038	15,478	1,037,029
Depreciation	68,180	-	-	5,011	-	-	73,191
Interest	9,406	-	-	-	3,593	-	12,999
Total expenses	\$ 2,347,193	570,111	840,883	5,011	579,137	47,183	4,389,518

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF CASH FLOWS
Years Ended June 30, 2018

Cash Flows From Operating Activities	
Cash received from grants and contracts	\$ 3,569,707
Cash received from contributions	490,052
Cash received from other sources	6,581
Cash paid to employees and suppliers	(4,115,615)
Interest paid	(12,999)
Net cash used by operating activities	<u>(62,274)</u>
Cash Flows From Investing Activities	
Purchase of equipment	(14,186)
Endowment purchases	(144)
Net cash used by investing activities	<u>(14,330)</u>
Cash Flows From Financing Activities	
Principals payments on capital lease obligations	(6,110)
Net cash used by financing activities	<u>(6,110)</u>
Net decrease in cash and cash equivalents	(82,714)
Cash and cash equivalents, beginning of year	<u>847,067</u>
Cash and cash equivalents, end of year total	764,353
Less: restricted cash	<u>(64,495)</u>
Cash and cash equivalents, end of year unrestricted	<u><u>\$ 699,858</u></u>
Reconciliation of Change in Net Assets to Net Cash	
Used by Operating Activities	
Change in net assets	\$ (50,682)
Adjustments to reconcile change in net assets to	
net cash used by operating activities	
Depreciation	73,191
Net realized/unrealized gains/losses on endowments	(4,749)
Changes in operating assets and liabilities	
Accounts receivable	(158,715)
Other receivables	102,088
Prepaid expenses and other assets	32,719
Accounts payable	(38,455)
Accrued expenses	7,472
Due to related party	(25,143)
Net cash used by operating activities	<u><u>\$ (62,274)</u></u>

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation. PB&J Family Services, Inc. (PB&J) is financially interrelated through control and economic interest to another not-for-profit organization, Peanut Butter & Jelly, Inc. Property Corporation (the Corporation). Generally accepted accounting principles in the United States of America require the financial statements of PB&J and its affiliated organization to be consolidated (the Organization). All significant inter-organization accounts and transactions have been eliminated.

Nature of Activities. PB&J is a child abuse prevention program in the Albuquerque metropolitan area focused on helping families to acquire the skills to provide safe and loving homes for their children. The following are descriptions of some of the major programs and activities. The Corporation manages some of the property that PB&J leases.

Peanut Butter & Jelly Therapeutic Preschool – The Preschool’s program serves children from birth to age five and their families in an intensive, interactive parenting, child development, and early intervention program. Virtually all the families have incomes below the federal poverty line and are further challenged by mental illness, developmental disabilities, substance abuse, domestic violence, incarceration, or involvement with the New Mexico Children, Youth and Families Department for abuse, and neglect.

ImPACT/KidPACT - These programs work with incarcerated parents, their children, and families. ImPACT operates in a number of New Mexico prisons and the Metropolitan Detention Center in Albuquerque. Parent education classes, therapeutic visitation between parents and children, intensive case management for children and their caregivers in the community, as well as parole and reintegration support for the released parent are provided in order to support family reunification and reduce recidivism. KidPACT provides in-school support groups for children of prisoners designed to address school success and to improve overall school and social functioning.

Home-Based/Supported Living – This program provides in-home parenting, family support, and case management services to high risk families with children from birth to 18 years and to families in which one or both parents are developmentally disabled or have significant mental health issues.

Basis of Accounting. The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Use of Estimates. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents. For purposes of the statements of cash flows, the Organization considers all short-term highly liquid instruments to be cash equivalents provided they are both readily convertible to cash and had an original maturity of three months or less when purchased.

Accounts Receivable. Accounts receivable are stated at face value. Management uses historical experience applied to an aging of accounts. Accounts receivable are written off when deemed uncollectible, when all efforts result in noncollection. No interest is charged on late receivables. Receivables are considered past due if the balance is outstanding for more than 90 days.

Pledges Receivable. Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional and legally enforceable. If a donor states an intent to give rather than a promise to give, contributions are recorded in the year payment is received. Contributions that are restricted by donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. Pledges receivable were \$160,000 as of June 30, 2018.

Gifts of long-lived assets are reported as unrestricted support unless the donor has restricted the use of the assets for specific purposes. Long-lived assets with explicit restrictions and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Allowance for Doubtful Accounts. An allowance for doubtful accounts has not been provided as management believes that all receivables are fully collectible.

Property and Equipment. Property and equipment are stated at cost or, if donated, at the estimated fair value on the date of donation. Expenditures for property and equipment in excess of \$1,000 are capitalized and depreciated on a straight-line basis over their estimated useful life. Replacements, maintenance, and repairs that do not improve or extend the life of the respective assets are expensed as incurred. Lives of property and equipment are as follows:

Buildings and leasehold improvements	30 years
Furniture and equipment	3 – 5 years
Vehicles	3 – 5 years

Investments. Endowment funds are invested with the Albuquerque Community Foundation in a pooled fund of marketable securities valued at net realizable value, as determined by quoted prices as provided by the investment manager, who pools all funds and allocates investment activity to each fund accordingly. All investments in debt securities are reported at their fair values in the statement of financial position (see Note 12). Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contract Service Revenue. The Organization receives revenue from federal, state and local contracts on a cost reimbursement, lump sum and a per-unit-served basis. These contracts and grants are for services performed by the Organization and, accordingly have been accounted for as exchange type transactions. A majority of these contracts are with various agencies of the State of New Mexico and make up a significant portion of the Organization's revenues. Monies that are received before the services are substantially performed are deferred as liabilities. Once the services are substantially performed the monies are recognized as revenues. At June 30, 2018, there were no deferred revenues.

Refundable Advances. Occasionally, the Organization will receive grant funding that contains specific conditions that must be met by the Organization or the funds will revert back to the grantor. Because these funds are conditional, the funding is recoded as a refundable advance and deferred until such time as the conditions are met. At that point in time, the contribution income is recognized. At June 30, 2018, there were no refundable advances recorded.

Financial Statement Presentation. In accordance with generally accepted accounting standards, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted and Board Designated Net Assets. Undesignated, unrestricted net assets are used to account for all resources over which the Board of Directors has discretionary control. The Board of Directors has designated net assets of \$61,925 as of June 30, 2018, for the endowment fund. Support whose restrictions are met in the same reporting period are reported as unrestricted support. Restricted investment income and gains whose restrictions are met in the same reporting period are reported as unrestricted.

Temporarily Restricted Net Assets. Temporarily restricted net assets result from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

Permanently Restricted Net Assets. Permanently restricted net assets result from contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that cannot be removed by actions of the Organization.

Financial Instruments. The Organization's financial instruments consist of accounts receivable and accounts payable. It is management's opinion that the Organization is not exposed to significant interest rate or credit risks arising from these instruments. Unless otherwise noted, the fair values of these financial instruments approximate their carrying value. The maximum potential loss from credit risk is equal to the carrying value. The Organization does not require collateral on these financial instruments.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Beneficial Interest in Assets Held by Community Foundation. On November 7, 2007, the Organization established an “Agency Endowment Fund” (Agreement) at the Albuquerque Community Foundation (Foundation) with an initial contribution of \$50,000 from the Organization’s funding sources and another \$10,010 from donors of Angie’s Legacy. The Agreement and all contributions made to the fund are irrevocable. Under the terms of the Agreement, the Foundation may substitute another beneficiary in place of the Organization if the Organization ceases to be a qualified charitable organization. The Board of Trustees of the Foundation can modify the provisions of the Agreement designating use of the endowment if the purposes for which it was created ever become obsolete, incapable of fulfillment, or inconsistent with the charitable purposes of the Foundation. Annual distributions are calculated in accordance with the Foundation’s distribution policy and can be used by the Organization or can be added to the principal of the endowment.

Accounting Standards Codification (ASC), *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*, establishes standards for transactions in which a donor transfers assets to a not-for-profit organization or charitable trust that accepts the contribution with the stipulation that the recipient organization use those assets, the return on investment of those assets, or both, on behalf of the beneficiary that is specified by the donor. ASC specifically requires a not-for-profit organization that establishes a fund at a community foundation with its own funds and specifies itself as the beneficiary of that fund and grants the community foundation unilateral variance power must account for the transfer of such assets as an asset on its financial statements. Accordingly, the Organization has recognized the transfer to the Foundation of the \$50,000 as an asset called “permanent endowment”, included with other assets in the statements of financial position. The donations to Angie’s Legacy of \$10,010 were given to the Organization with the intent that the Organization would be the beneficiary of any earnings. Variance power was not explicitly granted by the original donors to the community foundation, and so these funds are also considered an asset of the Organization.

Endowment Classification. New Mexico law requires New Mexico organizations with endowments to adhere to the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). The law states that a not-for-profit organization that is subject to an enacted version of the UPMIFA shall classify a portion of a donor-restricted endowment fund of perpetual duration as permanently restricted net assets. The amount classified as permanently restricted shall be either a) the amount of the fund that must be retained permanently in accordance with explicit donor stipulations or b) the amount of the fund that, in the absence of explicit donor stipulations, the Organization’s governing board determines must be retained permanently consistent with the relevant law.

The original donors of the endowment funds did not explicitly state that the funds were to remain in perpetuity, and the Organization’s board of directors interpreted New Mexico’s UPMIFA law and do not conclude that the State of New Mexico requires endowment funds to remain in perpetuity in lieu of explicit donor stipulations. Accordingly, the Organization has classified the donor endowment funds as temporarily restricted, until the funds are used for their intended purpose, and have included the endowment with other long-term assets in the statements of financial position.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes. PB&J is exempt from income taxes under Section 501(c)(3). The Corporation is exempt under Section 501(c)(2), of the Internal Revenue Code. Both organizations have been designated as other than private foundations.

The Organization would record a liability for uncertain tax positions when it became probable that a loss has been incurred and the amount can be reasonably estimated. Interest would be recognized and accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. Expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings are continually evaluated. As of June 30, 2018, no liabilities for uncertain tax positions have been recorded. The Organization's tax returns for the fiscal years ended 2015 to 2018, by statute, may be subject to normal federal and state examination.

Donated Services and Materials. The Organization recognizes donated services that require specialized skills and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Such donations are reported at their estimated fair market value at the date of the donation as unrestricted support. Donated materials are recorded at the fair market value of the materials on the date of donation.

Expense Allocations. Expenses are allocated primarily to the various programs on a specific identification basis. Those expenses of an indirect nature or which benefit all programs are considered program services. Indirect expenses that do not benefit programs are classified as supporting services.

Operating Cycle. The majority of the Organization's income is derived from state and federal contracts and grants. The lengths of the contracts vary, but they are generally one year or less.

Subsequent Events. Subsequent events were evaluated through April 26, 2019, which is the date the financial statements were available to be issued.

NOTE 2. CASH AND CASH EQUIVALENTS

At June 30, 2018, the carrying amount of the Organization's cash was \$764,353, which includes \$500 cash on hand. The bank balances were \$714,094. Limits on the accounts were insured up to \$250,000 under FDIC coverage per customer through June 30, 2018.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 3. OTHER INVESTMENTS

Investments, at fair value, consist of the following at June 30, 2018:

Cemetery plot and interest in oil wells	\$ 26,000
Less depletion on oil wells	<u>(25,000)</u>
Total	<u>\$ 1,000</u>

There was no depletion expense for the year ended June 30, 2018. The carrying value of investments above approximates fair value.

NOTE 4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2018:

Land	\$ 67,306
Buildings and leasehold improvements	750,133
Furniture and equipment	576,739
Vehicles	<u>459,360</u>
	1,853,538
Accumulated depreciation	<u>(1,576,423)</u>
Net property and equipment	<u>\$ 277,115</u>

Vans with a net book value of zero at June 30, 2018, are restricted as to their use as designated by granting agencies under government contracts and are included in total vehicle cost. Included in the original vehicles cost above are in-kind donations from the New Mexico State Highway and Transportation Department which represents 80% of the cost of the vans, or \$126,234.

NOTE 5. RETIREMENT PLAN

PB&J maintains a qualified 403(b) retirement plan. Eligible employees may defer a portion of their salary under this plan. At the discretion of the Board of Directors, the PB&J contributes a discretionary match of salaries for all eligible employees. The plan has no age requirement and employees may participate immediately. Employer matching is 100% vested after two years of service. Total employer contributions were \$26,562 for the year ended June 30, 2018, with no additional discretionary contributions for the year.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 6. NOTES PAYABLE – AFFILIATE

During the year ending June 30, 2005, PB&J loaned \$118,030 to PB&J Property Corporation (an affiliate) to purchase property acquired by PB&J in 2005, creating a loan receivable to PB&J and loan payable from PB&J Property Corporation. The loan bears interest of 7.95%, with monthly payments of \$1,126 for fifteen years. PB&J then entered into a lease agreement with PB&J Property Corporation for the use of the property. The amount of the lease payment is equal to the monthly payment for the loan. In July 2010, PB&J loaned \$49,020 to PB&J Property Corporation to purchase property. The loan bears interest of 7.95%, with monthly payments of \$607 for 10 years. PB&J then entered into a lease agreement with PB&J Property Corporation for the use of the property. The amount of the lease payment is equal to the monthly payment for the loan. The income and balance sheet account balances affected by these transactions have been eliminated, accordingly, to consolidate the financial statements of PB&J and its affiliate. The balance of the loan payable/receivable for the two companies was \$31,829 as of June 30, 2018, and was eliminated upon consolidation.

Maturities of the notes payable/receivable for the years ending June 30 are as follows:

2019	\$ 18,709
2020	<u>13,120</u>
Total	<u><u>\$ 31,829</u></u>

NOTE 7. UNRESTRICTED NET ASSETS – BOARD DESIGNATED

Board designated net assets include an endowment established in 2007 for investment purposes. The balance in the endowment as of June 30, 2018 was \$61,925.

NOTE 8. TEMPORARILY RESTRICTED NET ASSETS

Net assets of \$251,034 at June 30, 2018, are temporarily restricted. Temporarily restricted net assets include \$160,000 pledged by donors; temporarily restricted for time purposes as of June 30, 2018. Also included in temporarily restricted net assets are the donor funds used to establish an endowment with the Albuquerque Community Foundation for Angie's Legacy in the amount of \$26,539 as of June 30, 2018. These funds are considered temporarily restricted until used by the Organization for their intended purpose (See Note 9). The remainder of the temporarily restricted balance for 2018 relates to funds restricted for expenditures for the ImPACT, Preschool and other programs.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 9. ENDOWMENT FUNDS

The Organization follows the Albuquerque Community Foundation's policies with regard to investing and spending. The Albuquerque Community Foundation's policies stipulate that annual distributions will be calculated (not to exceed 5% of the value of the endowment) for PB&J's spending. However, PB&J can make the determination to leave any annual distributions in the endowment to continue to grow. As of June 30, 2018, PB&J has not taken an annual distribution from the endowment funds. If funds were to be taken as a distribution, the Board of Directors would make the recommendation as to the purpose of the funds to be spent.

Changes in endowment net assets are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, June 30, 2017	\$ 59,714	23,857	-	83,571
Investment income, net of expense	\$ (1,161)	1,305	-	144
Net appreciation (realized and unrealized)	3,372	1,377	-	4,749
Total investment gain	2,211	2,682	-	4,893
Change in endowment net assets	2,211	2,682	-	4,893
Endowment net assets, June 30, 2018	\$ 61,925	26,539	-	88,464

NOTE 10. NONCASH EXCHANGE OF SERVICES

PB&J has two primary locations. A portion of the main headquarters is leased from the County of Bernalillo with a portion owned by PB&J. The lease, dated July 1, 2005, is for a term of 5 years with options to renew the lease for up to an additional 25 years. In July 2010, the first option to renew for the first five-year term was approved. In July 2015, the second option to renew for an additional five-year term was approved. The terms of the lease call for annual rent of \$83,502. The rent is to be paid with cash equivalent services provided by PB&J for disabled and indigent residents of Bernalillo County. Any short-fall in provided services is to be paid in cash by PB&J to the County of Bernalillo.

PB&J opened a location in the South East Heights area of Albuquerque, NM in September 2011 and entered into a facility agreement with Bernalillo County. The lease is for a term of 5 years, with one additional five-year option which was approved in 2017. The annual rent is \$78,750, and is to be paid with cash equivalent services provided by PB&J. Any short fall is to be paid in cash by PB&J.

PB&J rents facilities from the Town of Bernalillo, NM under a lease that began in July 2014. The lease is for a term of 5 years, with five additional five-year options to renew. A part of the consideration for these arrangements is the provision of space in exchange for the provision of services at the facilities. The annual rent is \$23,725, and is to be paid with cash equivalent services provided by PB&J. Any short fall is to be paid in cash by PB&J.

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 10. NONCASH EXCHANGE OF SERVICES (CONTINUED)

For the year ending June 30, 2018, PB&J received and recognized \$185,977, in meals, professional services, rent, utilities, and insurance in exchange for services. The services provided to the County of Bernalillo and the Town of Bernalillo were sufficient to cover the required annual services of the two agreements.

Future minimum rental payments for all noncash exchange of services are as follows:

Year ending June 30,	
2019	\$ 185,977
2020	162,252
2021	78,750
2022	<u>6,563</u>
Total	<u>\$ 433,542</u>

NOTE 11. COMMITMENTS

The Organization leases various copiers, fax and finishers under two operating leases which matured in 2018. For the year ending June 30, 2018, lease expense was \$17,901.

The Organization leases equipment under a capital lease agreement, which expires November 2021. Amortization of assets held under capital leases is included with depreciation expense. The capitalized leased assets included in leased equipment consisted of the following at June 30, 2018:

Equipment	\$ 44,142
Accumulated amortization	<u>(13,978)</u>
Total	<u>\$ 30,164</u>

Future capital lease payments are as follows:

2019	\$ 15,516
2020	15,516
2021	15,516
2022	<u>6,467</u>
Minimum lease payments	53,015
Amount representing interest	<u>(17,793)</u>
Present value of lease payments	35,222
Current portion	<u>(7,503)</u>
Long-term obligations under lease	<u>\$ 27,719</u>

PB&J FAMILY SERVICES, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2018

NOTE 12. FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at June 30, 2018 are as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Unobservable Inputs (Level 3)
<u>June 30, 2018</u>			
Endowment investments- board designated	\$ 61,925	-	61,925
Endowment investments- donor restricted	26,539	-	26,539
Cemetery plot and interest in oil wells	1,000	-	1,000
Total	<u>\$ 89,464</u>	<u>-</u>	<u>89,464</u>

Fair values for long-term investments and endowment investments are determined by reference to quoted market prices and other relevant information generated by market transactions.

The original carrying value of \$1,000 for the burial plot and \$25,000 for oil rights was established in previous years. The oil rights were fully depleted as of June 30, 2018. As in previous years, the carrying values above are estimated to approximate fair values.

NOTE 13. ECONOMIC DEPENDENCE

PB&J has contracts with various State and Federal agencies. Significant revenues of PB&J include funding from CYFD (Children Youth and Families Department) and Medicaid. Revenues from these sources were approximately 51% of total revenues for the year ended June 30, 2018.



**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed
In Accordance with *Government Auditing Standards***

To the Board of Directors of
PB&J Family Services, Inc.
Albuquerque, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of PB&J Family Services, Inc. (a nonprofit organization) and its affiliate Peanut Butter & Jelly, Inc. Property Corporation (the Organization), which comprise the consolidated statement of financial position as of June 30, 2018, and the related consolidated statements of activities and cash flows for the year then ended, and the related consolidated notes to the financial statements, and have issued our report thereon dated April 26, 2019.

Internal Control over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Directors of
PB&J Family Services, Inc.
Albuquerque, New Mexico

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Albuquerque, New Mexico
April 26, 2019

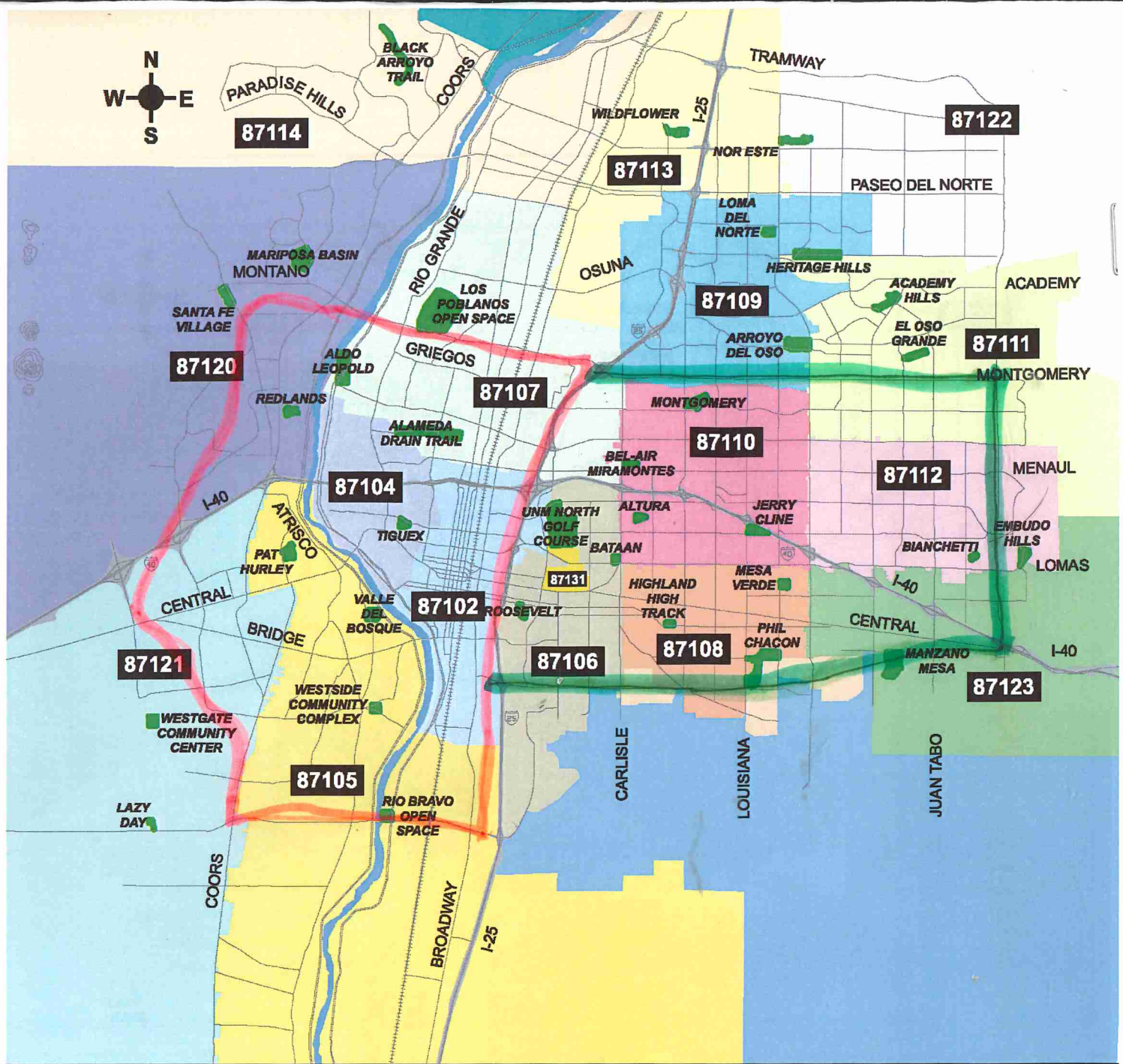
PB&J Family Services
Transportation Historical and Application Budget

<u>Revenue</u>	Historical Fiscal Year 2018 Budget	Historical Fiscal Year 2019 Budget	Application Year Budget
Foundations	\$ 25,000	\$ 15,000	\$ 37,000
Government Contracts Transportation	39,990	39,990	61,790
Donations	38,278	39,629	39,410
Total	\$ 103,268	\$ 94,619	\$ 138,200
<u>Expenses</u>			
Salaries	\$ 62,948	\$ 57,332	\$ 91,028
FICA	4,816	4,386	6,964
State Unemployment	1,888	1,720	2,731
Worker Compensation	1,435	1,307	2,075
Health Insurance	7,602	8,054	7,602
Gas & Oil	11,373	11,410	14,000
Auto Maintenance & Repair	9,717	6,709	10,000
Auto Licenses and Permits	439	551	500
Vehicle Insurance	3,050	3,150	3,300
TOTAL	\$ 103,268	\$ 94,619	\$ 138,200

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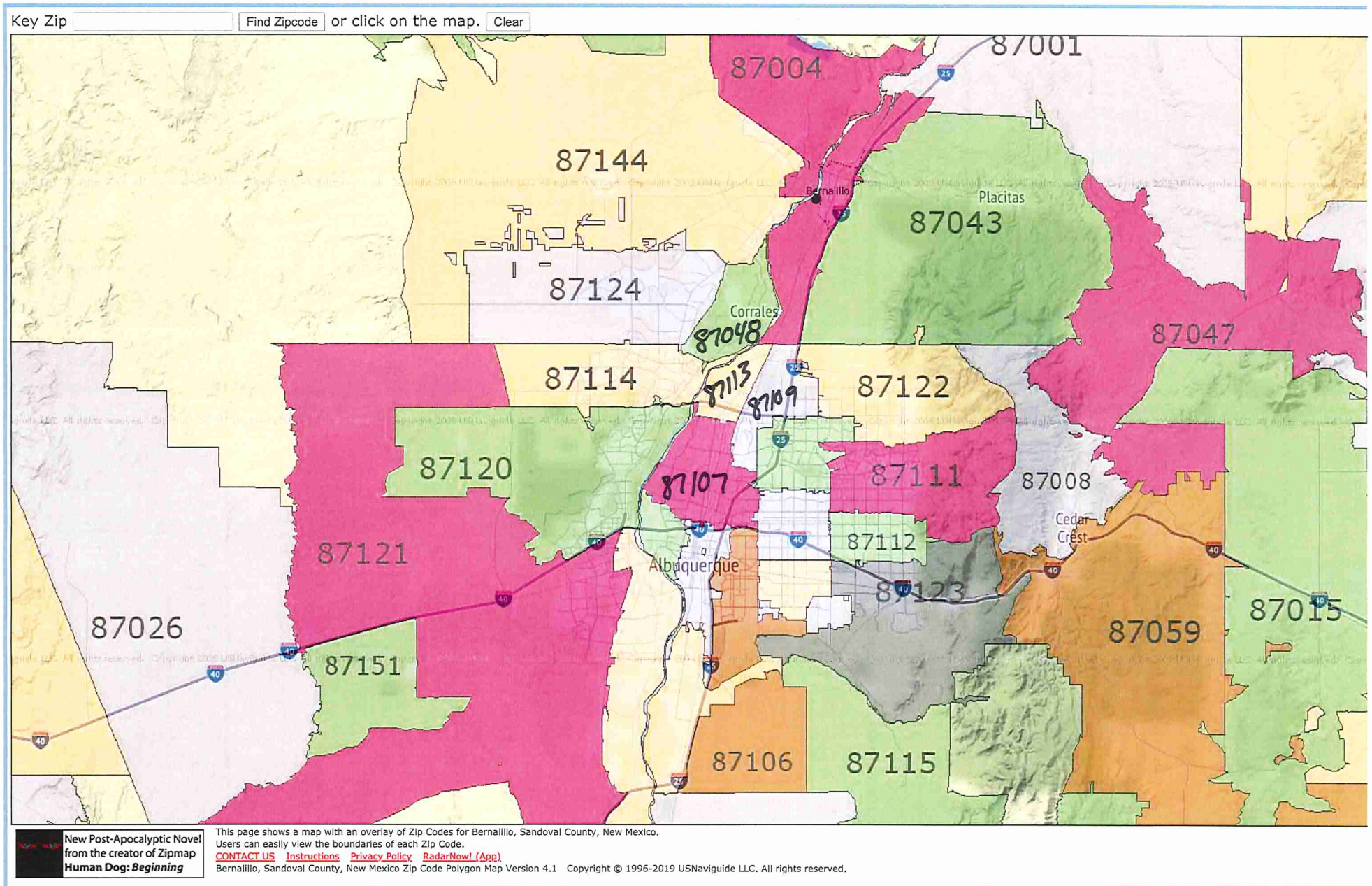


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South Valley: 87102, 87104, 87105, 87107, 87121

South East: 87111, 87109, 87106, 87108, 87110, 87123, 87106, 87112

Bernalillo: 87114, 87124, 87004, 87001, 87013, 87144, 87120, 87043



Not
Applicable

Ridership Numbers

David Civetti

Mon 8/26/2019 3:37 PM

To: Terry Harwood <Terry@pbjfamilyservices.org>;

Hi Terry,

For FY 18 (10/1/17 thru 9/30/18) ridership was 4,526

For FY 19 (10/1/18 thru 9/30/19 [or whatever we have already entered so far]) ridership has been 4,045.

Let me know if you need something else!

David Civetti, DBA / Billing Dept. Supervisor
PB&J Family Services
(505) 877-7060 x1209

Not
Applicable

Not
Applicable



August 23, 2019

New Mexico Department of Transportation
1120 Cerrillos Road
Santa Fe, NM 87504-1149

RE: Section 5310 Match Requirement

PB&J Family Services will provide \$22,815.02 to meet the 20% match requirement for our FY 2021 SECTION 5310 Application. These funds will be allocated from our unrestricted reserves.

Respectfully,

A handwritten signature in black ink, appearing to be 'Raymond Garcia'.

Raymond Garcia
Executive Director
PB&J Family Services

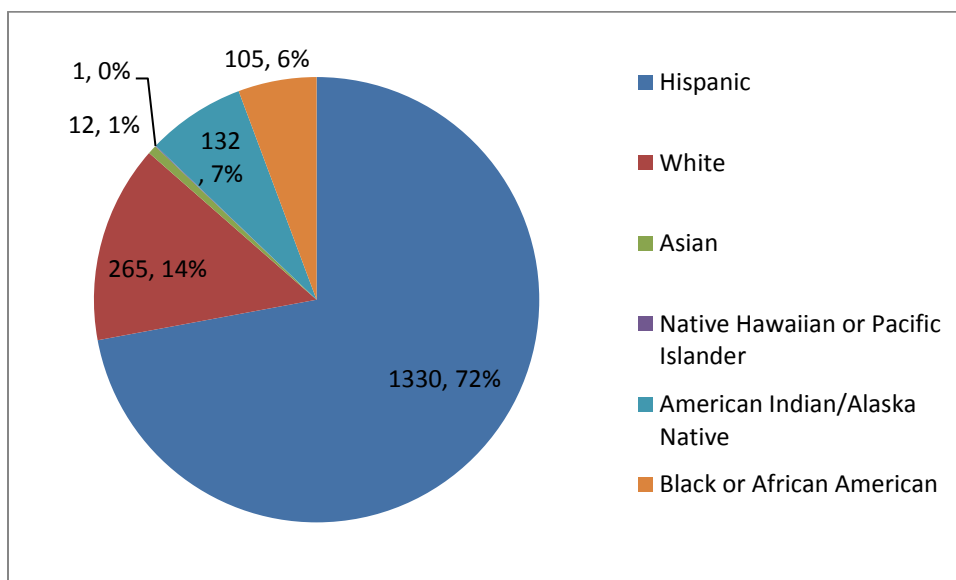
Not
Applicable

Intergenerational trauma, familial violence, and poverty have been a long running issue in New Mexico. Because of this, an alarming number of families exist in environments wherein children are more at-risk of experiencing a range of Adverse Childhood Experiences (ACEs). ACEs are associated with high levels of toxic stress, which has been proven to have a high potential of leading to physical and mental illnesses later in life, as well as barriers in education and employment. Recurring ACEs can make it difficult for families to transcend multigenerational cycles of child abuse/neglect, incarceration, and poverty.

According to recent data released by the Annie E. Casey Foundation & New Mexico Voices for Children, New Mexico ranked 50th state wide in terms of child well-being in 2018, the worst rating nation-wide and the worst NM rating since 2013. Out of the 500,000 children in NM, 29% live at or below the federal poverty line. In 2017 the child abuse rate in NM was 25 per 1,000- one of highest in the nation. NM also now leads the country in child hunger. The need for early intervention, early childhood education, and family support services in NM is clear.

Since 1972, PB&J has been helping at-risk children develop to their full potential within nurturing families and supportive communities by developing and implementing innovative solutions to help our families in crisis. We believe EVERY child deserves to grow in a safe and nurturing environment with opportunities to thrive. PB&J provides comprehensive wrap-around services to parents with young children TOGETHER that already experiencing or are at-risk of experiencing ACEs such as child abuse & neglect, incarceration, poverty, human-trafficking & prostitution, substance abuse, mental illness, and other adversities in Bernalillo and Sandoval counties and surrounding pueblos. Our measurable outcomes include the prevention of child abuse and neglect, preservation of the family whenever possible, optimal child development, and children's readiness for success in school and in life.

Nearly 100% PB&J clients live below the federal poverty line, and over 88% of PB&J clients do *not* identify as white. Demographic breakdown for PB&J clients is as follows:



Although several different services that aim to maximize child safety and family health exist, transportation difficulties for families often create barriers when it comes to accessing these services. New Mexican families in need of support often have unreliable access to a vehicle, live in geographically isolated communities with limited public transportation, and

experience physical and/or mental health issues that make public transportation difficult. Using public transportation with several young children can also be problematic and often dangerous. This is where PB&J's Transportation Program comes in.

51-56% of PB&J clients utilize our free transportation services due to personal transportation barriers. When we eliminate difficulties for families that occur due to lack of availability of a personal vehicle or ability to use public transportation, PB&J families achieve high levels of program participation. The more families we can extend our services to and assist in uncovering and living up to their full potential, the greater the positive impact will be for our community as a whole.

Our mission speaks of a supportive community. Along with increasing attendance at our Center-Based Services, our Transportation Program also serves as a channel that strengthens the collaborative strength between PB&J and other local agencies. Necessary collective tasks include successfully connecting families to mental health services, early intervention services, early childhood education and development, healthcare, housing, services for families impacted by incarceration, immigration services, and more. We recognize that each partnering ally has different strengths and resources that can be applied in order to cohesively achieve the common goal of keeping NM families safe. Our Transportation Program serves as the glue that connects PB&J clients to other services providers, enabling our clients to receive the most comprehensive and Holistic Case Management possible.

Another major aspect of PB&J programming is the provision of services hours in the community and wilderness. Over the past year, PB&J clients have been able to visit Meow Wolf, Jemez Mountains, the Pumpkin Patch, ABQ Bio Park, and other locations thanks to our free transportation services. During this past year, PB&J provided 24,628 service hours in the home and community. When we help our clients become more intertwined and exposed to the community around them, they begin to experience community support and discover inspiration through new activities. This serves as a protective factor against child abuse and neglect. This aspect of our service provision would not be possible without our Transportation Program.

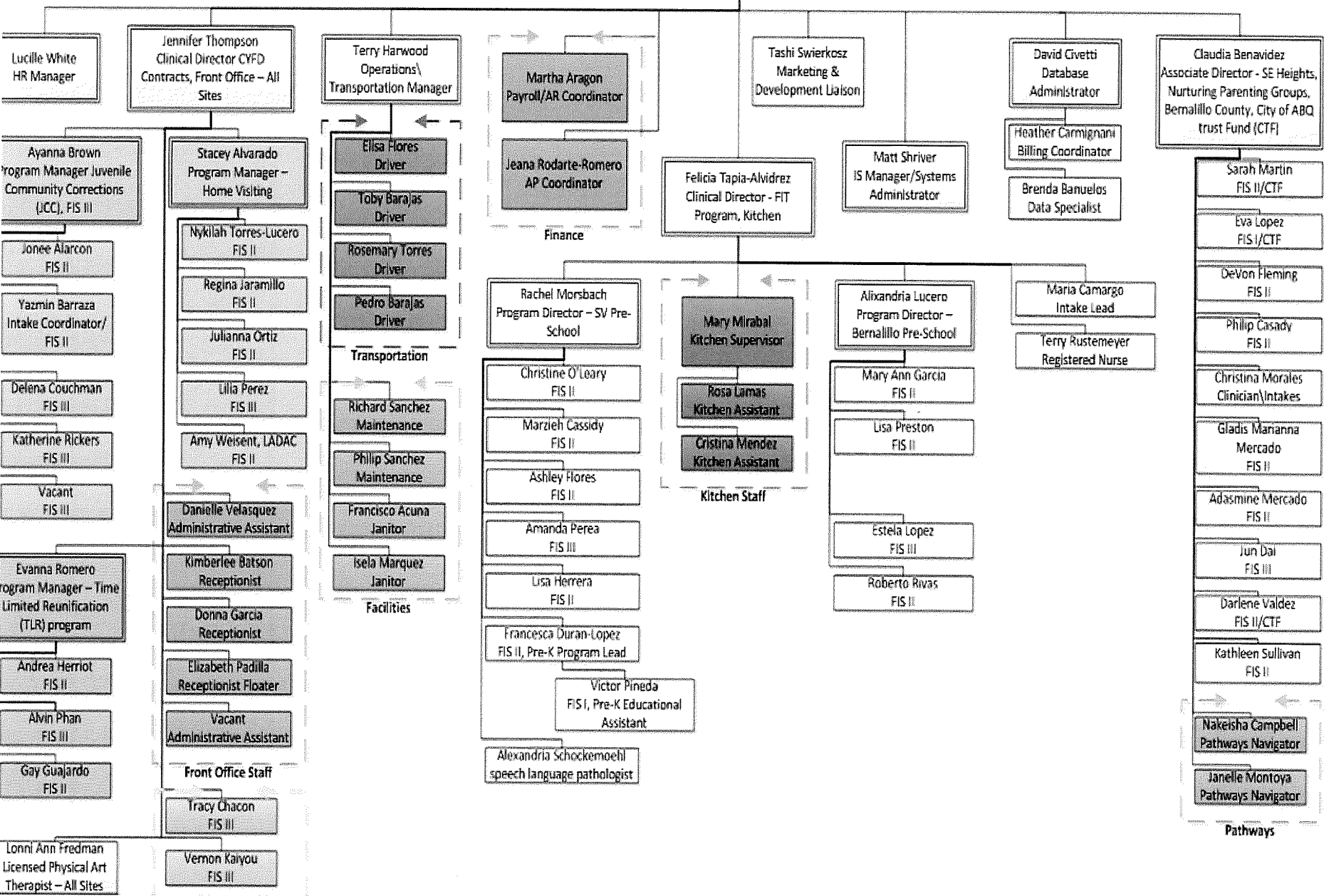
Our Transportation Program also plays a key role within our programs that work with incarcerated parents. PB&J goes the extra mile to transport family members to and from incarceration centers so that bonding and attachment can still occur while families are being separated. These facilities are often hours away from the client's place of residency. Quiet often, our Transportation Program serves as the glue that can keep families connected while separated by bars.

PB&J maintains a fleet of 10 vehicles utilized for client transportation which are driven by 5 trained van drivers. Approximately 60 PB&J staff members also use their personal vehicles to transport clients and are reimbursed for their mileage. The Transportation Program is under the oversight of our Transportation and Facilities Director. During the last fiscal year, we were able to provide 4,387 passenger trips on PB&J vans. PB&J staff also drove a total of 296,000 miles in their personal vehicles in order to effectively provide services. Only 229,192 miles were reimbursed via state and federal contracts.

Board of Directors

Raymond Garcia
Executive Director

Susannah Burke, LISW
Special Projects Coordinator



Section 1

INTRODUCTION

Section 1: Introduction
Procedure
1.1.a: Overall Agency Services and Practices
Staff Reviewed: July 2016
Board Reviewed: September 2016

Mission Statement:

The mission of PB&J Family Services, Inc. is to help **at-risk children** to grow and develop to their full potential in **nurturing families** within a **supportive community**.

Definitions:

An **at-risk child** is a child whose family may be impoverished and has one or more of the following indicators:

- Parental history of substance abuse;
- Parental history of child welfare/protective services involvement;
- Parental history of criminal involvement;
- Parent and/or child with one or more behavioral, emotional or developmental delays (including infant failure to thrive syndrome or perinatal drug/alcohol effect);
- Parent and/or child involved with juvenile justice;
- Families with weak or conflictual social support system.

A **nurturing family** is one that strives to be resilient, respectful, loving securely attached and bonded and has a sense of self-worth and competency which promotes each family member's ability to develop.

A **supportive community** is one in which there is an awareness of the problems of at-risk families and a non-judgmental willingness to support programs to help those families to achieve self-sufficiency.

Section 1: Introduction
Procedure
1.2.a: Philosophy
Staff Reviewed: July 2016
Board Reviewed: September 2016

PB&J Family Services, Inc. (PB&J) was established as a non-profit organization in 1972 to promote healthy families and communities and to protect the well being of children. We believe that by focusing our efforts on parents and children as a system, we can take into account the unique and powerful reciprocal effect each has upon the behavior of the other. In addition to our focus on families, we also feel like an integral part of the communities in which we and our families live.

PB&J is a comprehensive family service agency and model program for New Mexico's families and children.

PB&J follows all applicable federal, state, and local laws and all governing credentialing standards and regulations.

PB&J aligns its behaviors and actions to its values, which are:

- Promoting a deep belief in empowerment and self-advocacy;
- Providing services that meet clients where they are at and adapt to meet their needs;
- Strengthening the family functioning by internal and external collaboration that contributes to supportive communities; and
- Believing in PB&J's clients' rights to change their lives and be respected by the community.

Section 1: Introduction
Policy
1.3: Providing Services At No Cost To Families
Staff Reviewed: July 2016
Board Approved: February 2008

PB&J does not charge a fee to clients for any provided services.

South Valley Site
1101 Lopez Road SW
Albuquerque, NM 87105

Bernalillo Site
255A Camino del Pueblo
Bernalillo, NM 87004

SE Heights
209 San Pablo
Albuquerque, NM 87108

Section 1: Introduction
Procedure
1.4.a: Facts about PB&J
Staff Reviewed: July 2016
Board Reviewed: September 2016

PB&J focuses our efforts on the family as a unit and on individual family members and seeks to improve all aspects of a child's life. Our programs provide tools for parents to aid in the development of basic daily living skills, effective parenting and self-advocacy. PB&J's approach takes into account the powerful and unique reciprocal relationship between parent and child and the impact they have on one another. We believe the enhancement of the family member's sense of self-worth and competency strengthens each individual's ability to develop as a capable and responsible citizen of our community.

Therapeutic Parenting and Child Development Center: PB&J has 3 Therapeutic Parenting and Child Development Centers located in both Bernalillo and Sandoval Counties. They are all early intervention programs primarily funded through the Family Infant Toddler Program (FIT) and require children birth to 3 years of age to be assessed and are qualified under 1 of 4 categories; developmental delay, established condition, environmental at-risk or biologically at-risk.

Each child participating in the program receives a developmental evaluation at intake which will determine the child's eligibility, as well as their level of functioning in the areas of: Gross and Fine Motor Development, Language/Communication Skills, Self-Help/Adaptive Behavioral Relationship to Persons, Social-Emotional and Feeling States, Cognition and Coping/Self-Regulation. Within the therapeutic parenting group environment, on community visits, and in the home, the clinician and developmental specialist work together with the family to develop goals that will increase and enhance healthy relationships, bonding and attachment, positive parenting skills, increased functioning of child development in core areas. Parents will learn age appropriate expectations of their child's development and behavior. PB&J parenting group is designed to be a trauma informed, psychoeducational, interactive group in which parents/primary care giver(s) and children attend together and learn through an experiential participation. Families can receive the following services: home visits, individual and group parenting education, nursing and nutritional services, individual and/or group therapy, art/play therapy, speech, occupational and/or physical therapy, family advocacy and case management support. In addition, transportation and meals are provided, as well as field trips for psychosocial opportunities.

Pre-K Program provides services to 20 children at the South Valley location: All 20 children shall not have been identified for Pre-K services through any other funding source. All of the children served must have reached their fourth (4th) birthday before 12:01 a.m., September 1, of the current year. Sixty-six per cent (66%) of the children served must live within the attendance zone of a Title 1 school.

Home and Community Based Services:

Home Visitation provides in-home parenting, support and case management services to high-risk families isolated geographically or socially. Services include parenting, family support, counseling and case management, parenting skills, child development, and bonding and attachment. The program serves families prenatal through 5 years with special emphasis on children 0 to 3 years of age at risk for abuse, neglect or developmental delays. Home Visitation services are available Sunday through Saturday at times agreed upon between the family and PB&J staff member. (See appendix 166-191)

Supported Living provides parenting education, case management, individual and group counseling to families in which one or both parents have developmental disabilities. PB&J provides Home Community visits and field trips. Staff provide training about self-defense and safety, healthy eating, shopping on a budget, self-care, healthy relationships and positive parenting. Transportation and meals are also provided.

Time Limited Reunification (TLR) provides support and parenting training to families overcoming separations due to court mandates and foster-care placement. Families who have been legally separated and who have been identified for family reunification services are referred by Children Youth and Families Department (CYFD). PB&J is an agency in New Mexico selected by the CYFD to work with children separated from their parents by the State because of abuse or neglect. The goal of TLR is to develop a safe, permanent environment for the children within their family. PB&J provides intensive, therapeutic, homebased intervention to increase the life and parenting skills of the parents and help the children reintegrate back into the biological family home. PB&J's staff members are available on call, 24 hours a day, seven days a week. (See appendix 45-73 and appendix 74-102)

CBCAP Family Support Services The purpose of Family Support Services (FSS) is to provide support and preventative interventions to families who have a child age five and under and is at risk for child maltreatment. These referrals can come from anyone in the community; however priority will be given to families referred by CYFD. This service is also available to foster/adoptive families referred by CYFD with a child of any age to sustain placement of children in their care. This program is designed to strengthen and preserve families by providing a needs-driven, comprehensive, integrated approach to services. Services will be family centered, strengths based, and solution focused. PB&J Family's FIS staff will provide these services within the family's own system and living environment, including home, community, neighborhood, school, or any other familial appropriate setting. Families will receive intensive services for no longer than 6 months per intervention. (See appendix 103-130)

Incarceration Focused Services:

Fathers Building Futures is a Workforce incubator based out of 4301 4th Street NW. Through the workforce incubator qualified participants (fathers recently released from prison and jail) are trained in a business of their choice: Auto Detailing, Small Engine Repair, Woodworking, Upholstery, Retail, Catering and Construction. This project has been inspired

by the courageous men who have and will continue to overcome obstacles in order to succeed as providers for their children and community.

Teen Parent Bonding and Attachment Centers reduces recidivism through encouraging bonding and attachment between teen parents who are incarcerated juvenile offenders and their children, and by providing parenting education, case management, and family support for juvenile parents on probation or parole.

Response to safety needs to children of arrested parents Metropolitan Detention Center (MDC) PB&J screens families coming in for visits with detainees for ACES and provides referrals for needed services.

Health and Behavioral Health Services:

PB&J's ***Health and Healing Centers*** are health centers providing on-site health services to children and their families. A nurse and volunteer nursing students provide a health care safety net. Medical staff, diagnose and refer health and developmental problems in high-risk children and educate parents about lifestyle choices that impact the health of their children.

The ***Nutrition Services*** provide children and families with services on understanding basic nutrition and how it impacts health, grocery shopping for healthy foods, and creating simple nutritious meals.

PB&J offers ***Counseling Services*** including art therapy, play therapy, and individual and family counseling. Therapists focus on working with children and parents who have been traumatized by abuse or have behavioral or emotional problems.

The ***Young Children's Health Center Collaborative (YCHC)*** facilitates family and child access to mental health, case management, and home visitation services through a partnership between the YCHC in Albuquerque and PB&J.

Other Services:

Transportation and Food Services provides transportation to and from the preschool as needed, as well as for case management, visitation and psychosocial activities throughout all programs. Food services are provided for PB&J's Therapeutic Preschools and are regulated under CYFD's Food and Nutrition Program.

PB&J works collaboratively with other agencies and groups with a kindred purpose. We work in partnership with everyone who affirms our mission and purpose. PB&J has an open-door policy. All who desire to be a part of this work are welcome, regardless of any of the protected classes of people or background. We welcome people as volunteers and supporters from all backgrounds.

Collaborative partnership implies the rights of all parties to engage in negotiations for the purpose of developing mutually agreed upon goals and procedures in which everyone has a role to play and whereby the process benefits everyone. PB&J's position is one of responding to expressed needs of the clients we serve within existing programs, and where those programs do not exist, creating them collaboratively with the community where the services will be supplied.

The ultimate goal, of PB&J's collaborative work is to eliminate child abuse and neglect in central New Mexico.

PB&J does not engage in or allow any form of preferential treatment of organization members, community partners, members of PB&J's Board of Directors, advisory groups, personnel, or consultants applying for and receiving PB&J's services.

Section 1: Introduction
Procedure
1.5.a: Target Population
Staff Reviewed: July 2016
Board Reviewed; September 2017

PB&J works with a targeted population using a strengths-based approach in all settings. Families and children enrolled in or referred to PB&J are at-risk due to a variety of factors including mental illness, developmental delays, functional limitations, and/or drug and alcohol dependency. The parents involved in PB&J programs often suffer from a lack of appropriate parenting and daily living skills, and often have not received prior education on child health and development. The children often come from impoverished, chaotic, disorganized or otherwise unstable families, and suffer from the resultant problems of substandard housing, poor nutrition and the spectra of family violence issues including child abuse, neglect and domestic violence. PB&J serves the needs of children with developmentally disabled parent(s), children and families living in rural areas, and families living in their homes who are unable to maintain a consistent and successful relationship with helping agencies.

The children and adolescents served by PB&J range in age from birth through twenty-one and reside in Bernalillo, Sandoval, and Valencia Counties, and Native American pueblos and reservations. Almost all families served by PB&J live below federal poverty guidelines.

Needs of Target Population:

Paramount of all needs is planning and appropriate treatment for the entire family. Family challenges must be defined in their environmental contexts and their needs drive an effective Individual Family Service Plan (IFSP).

The specific needs PB&J addresses include all areas of child development and family functioning. We see our role as a catalyst for integrating other support services based on family needs.

Section 5

TRANSPORTATION

Section 5: Transportation
Procedure
5.1.a: Transportation Eligibility
Staff Reviewed: September 2016

Transportation is offered to enrolled children and parents for whom no other means of reliable transportation to and from services is possible, and who reside within the catchment area. Families who reside outside the catchment area must arrange to come to a pick-up point within the boundaries where they may board the PB&J van.

Passengers are required to board the van at designated pick-up points. Pick-up and drop-off points are arranged prior to client families starting transportation services. Arrangement for changes in pick-up and/or drop-off is made in advance with the classroom and transportation staff. Passengers may not request changes in drop-off while on the van. Safety procedures are followed at all times.

Section 5: Transportation
Procedure
5.1.b: Personnel Matters
Staff Reviewed: September 2016

Personnel and program matters are specifically covered in the *Employee Policy Manual* and the *Program Policy and Procedure Manual*. In addition, for all PB&J Drivers, the following applies:

- as a prerequisite for driving employment, defensive driving and first aide courses are mandatory;
- job responsibilities include, but are not limited to, daily route planning, van inspections, arranging needed repairs, fueling, and other activities to assure the most efficient operations of the transportation service; and
- separate and distinct work, vacation, leave, and other schedules may be required and adjusted as necessary.

Section 5: Transportation
Procedure
5.1.c: Required Reporting and Documentation
Staff Reviewed: September 2016

Drivers are required to complete and submit all applicable reports and documentation in compliance with current reporting documentation practices and standards. Daily driver logs, maintenance reports, mileage, gas, and passenger logs, trip records and safety inspections are among the required reports.

All accidents/collisions **MUST** be reported to appropriate PB&J management, City/State authorities, police/sheriff, and/or other authorities including PB&J's insurance carrier. Passenger names, addresses, and contact phone numbers are recorded by the driver when accidents or incidents occur and an Incident Report is filled out. *See PB&J Program Policy and Procedure Manual Section 11.1: Critical Incident.*

Drivers are required to report all changes to their driving record(s) including any citations received for any reason, regardless of whether or not they occurred at work.

Section 5: Transportation
Procedure

5.1.d: Use of PB&J Vehicle for Personal Reasons
Staff Reviewed: September 2016

PB&J vehicles are not to be used for personal use unless the Transportation Supervisor grants specific permission. Rationale for use of a PB&J vehicle for non-business purposes is determined on an individual basis.

Unauthorized use of any PB&J vehicle may result in termination from employment.

Section 5: Transportation
Procedure

5.1.e: Public Relations
Staff Reviewed: September 2016

Drivers play a significant role in maintaining a positive public relations posture for PB&J. The following public relations best practices are performed:

- demonstrate professionalism through appearance, dress and behaviors;
- reflect courteousness to parents, children and other drivers;
- operate the vehicle in a safe and conscientious manner, even when there are no passengers on board;
- provide education to passengers concerning the service; and
- consider the unique needs and provide careful aid to wheelchair and/or special needs passengers.

The enthusiasm each Driver, as our organization's representative, shows in the service and the courtesy they extend to passengers and others in the community. This is crucial to the continued efficiency, effectiveness, and success of our service.

The Driver Identification Badge is visibly worn by the Driver whenever operating the vehicle and acts as a means for parents and/or agency representatives to recognize the Driver as authorized to transport their children or clients.

PB&J's phone number is visibly displayed in each van so that a passenger and/or a community member can contact PB&J's management if necessary.

Section 5: Transportation
Procedure
5.1.f: Communication
Staff Reviewed: September 2016

Drivers are expected to check their messages and/or the Driver Passenger Log three times daily:

- prior to starting their route in morning;
- prior to leaving for the one o'clock run; and
- upon completion of the late afternoon run.

Upon returning to the school after the morning and runs, treatment staff should be informed of any "no shows" and/or parent messages. Treatment staff should be notified of other client information that would benefit the client/family's treatment or safety as well.

Drivers are a crucial link between our parents and treatment staff, and are responsible for maintaining effective communication.

Section 5: Transportation
Procedure
5.1.g: Passenger/Client Rights/Considerations and Restrictions
Staff Reviewed: September 2016

All passenger rights and needs are considered when PB&J provides transportation services. When providing clients with transportation services we are giving them an opportunity to go places and do things that might not otherwise be possible.

Drivers who operate PB&J vehicles should demonstrate:

1. patience and courteousness;
2. cultural sensitivity;
3. behaviors which are respectful and support the dignity of others; and
4. sound communication, boundary setting and other behaviors that assure client safety and well-being.

Generally, PB&J Drivers do not leave their seat to aide passengers in boarding or exiting the van. Drivers may do so if the Transportation Manager and Treatment Team have agreed that this is necessary and/or such a practice is indicated by the treatment plan. Drivers are instructed to use the aide of another adult passenger or community member who is responsible for the person needing assistance, (i.e., parent, daycare worker, foster parent, spouse, etc.) and/or is willing to assist the client for such aide.

Unruly, or otherwise disruptive passenger behavior as determined by the Driver, will not be tolerated. If a situation occurs in which there is unsafe behavior occurring in the van, the Driver will safely pull over and stop the vehicle. They will then radio in to PB&J to speak with the Treatment Coordinator or supervisor for further instruction. All instances will be followed up with a meeting.

Individuals who appear to be under the influence of alcohol or other substances, who may jeopardize the safety, and/or comfort of passengers may be refused services. Drivers have the authority to refuse service to anyone that s/he suspects is under the influence.

SMOKING ON THE VAN BY PASSENGERS OR THE DRIVER IS STRICTLY PROHIBITED.

Section 5: Transportation
Procedure
5.1.h: Client Pick-up and Delivery
Staff Reviewed: September 2016

All scheduled bus trips will be submitted to the Transportation Manager by the Program Manager. All preschool busses must have an adult passenger other than the driver for the last passenger drop off. Unaccompanied infants under 12 months of age require a PB&J staff member to ride the bus. Every day, bus drivers will inform the Transportation Manager of the next day's client count and need for additional staff members. Passenger pick-up and delivery are handled in a consistent and respectful fashion. Pick-up or delivery on a residential street is usually made at the curb in front of the passenger's residence, although the driveway may be used if circumstances allow. Drivers stop the vehicle in a place where passengers may easily board. If possible they place the vehicle where the curb may be used as an extra step. Emergency flashing lights are utilized while the van is stopped and Drivers ensure the parked vehicle does not block traffic and that it is visible to oncoming motorists. Drivers avoid situations, in which they will need to go in reverse, when possible.

Drivers will sound the vehicle's horn once when approaching the pick-up point. If the passenger has not appeared when the vehicle stops, they will sound the horn once again. (Note: Deaf passengers are identified in passenger pick-up information and in these instances; arrangements for a specific pickup time with the family are made in lieu of sounding the horn). Pick-ups in business areas are made in marked stopping zones nearest the pick-up address. The Driver will wait for 5 minutes and then radio in to the front office and ask them to call the passenger. If no contact is made they leave to their next stop.

At hospitals, medical facilities and schools, PB&J personnel should ask the client for the specific location where they will be waiting (e.g., north side of building). These directions are then used to locate the person. A reasonable search is made, if the Driver is unable to find the passenger, they will then contact the Treatment Coordinator for further instructions.

When arriving at PB&J Drivers contact staff via radio and request staff to supervise the unloading of children and parents. Assurances are made when children arrive at school that they are all safely off the bus and supervised by program staff.

Parents must meet children at the bus and children may not be left in the care of another adult unless specific instructions are given to a Treatment Team member and the Driver. Children and infants are aided by parents/adults when boarding the vehicle. Drivers ensure that seat belts and/or car seats are in use, and all passengers remain protected by seat belts until destination is reached.

Drivers always greet passengers as they board the bus. Our children and parents genuinely appreciate a smile and a cheerful greeting.

Buses will never be left unattended, with motor running. Buses are locked when not being driven. Radios are removed at the end of the day if appropriate,

DRIVERS ARE RESPONSIBLE TO ENSURE THAT CHILDREN ARE NOT LEFT ON THE VAN.

Section 5: Transportation

Procedure

5.1.i: Parking Vehicles

Staff Reviewed: September 2016

Each time a Driver is parking a vehicle the following practices should be conducted:

1. The transmission is placed in the park position;
2. The hand brake is set so that the vehicle cannot move;
3. If on, headlights are turned off;
4. Emergency lights are turned on if passengers are boarding or alighting; and
5. The motor is turned off and the keys removed;
6. Both the driver and a staff member must then walk to the back of the bus to ensure all passengers are off the bus.
7. The driver then radios the front office staff to inform them the bus was inspected. The front office staff records the name of the driver and the staff member in the bus log and both initial the entry.
8. The driver then places a bus empty sign in the window of the bus. The driver goes to the front office and signs the log.

For drivers returning to PB&J after hours, the driver will radio their arrival to the Transportation Manager and report their bus inspection. The Transportation Manager will record in a log. If the Program Manager or Transportation Manager do not hear from the driver, they will call the driver.

The vehicle is never left unattended while the motor is running and/or if the hand brake is not engaged. If the vehicle is positioned on an incline, a wooden block is placed behind a back wheel, or in front of a front wheel to make sure the vehicle will not roll.

DRIVERS AND ANOTHER STAFF MEMBER ARE RESPONSIBLE TO CHECK FOR SLEEPING PASSENGERS. CHILDREN ARE KNOWN TO FALL ASLEEP ACROSS THE SEAT MAKING IT DIFFICULT TO SEE FROM THE FRONT SEAT. DRIVERS ALWAYS WALK TO THE BACK OF THE VAN AND CHECK EVERY SEAT BEFORE LOCKING THE VAN. THIS PROCEDURE IS FOLLOWED AFTER EVERY RUN.

Section 5: Transportation
Procedure
5.1.j: Oxygen Tanks on PB&J Vehicles
Staff Reviewed: September 2016

Individuals with lung disease who need supplemental oxygen will be allowed to board PB&J vehicles with portable oxygen tanks. Since PB&J has a non-smoking policy in place, traveling with oxygen should not be a problem. In order to be transported safely, oxygen tanks are kept upright, secured, and away from heat and flame. And, because oxygen containers release small amounts of gas periodically, a window will be kept partially open, regardless of the weather.

- The driver will provide a designated space and bungee cords when needed to keep oxygen tanks with wheels or on stands upright and secure;
- Passengers with sling, backpack, etc type oxygen tanks will be responsible for making sure that their oxygen tank is with them and secured at all times;
- Passengers may not leave their tank in another seat or unattended;
- If a care attendant is needed to help the passenger with their oxygen tank, that care attendant will be allowed to ride along with the passenger;
- If necessary, the driver may ask if the oxygen tank can be turned off while transporting, but will not insist on it being turned off;
- PB&J reserves the right to exclude an oxygen tank from the van if the passenger refuses or is unable to follow the safety requirements for transporting oxygen tanks. The passenger will first be given the option of continuing to use the transportation service without having their oxygen tank on board. Alternatively, PB&J will require that they have a care attendant with them for the purpose of helping to secure the passenger's oxygen tank.

Section 5: Transportation
Procedure
5.1.k: Service Animals
Staff Reviewed: September 2016

Service animals are welcome aboard PB&J vehicles. A service animal is any guide dog or other animal trained to perform tasks for an individual with a disability. Service animals are not pets, they are working animals that are specially trained to provide assistance. To travel on a PB&J vehicle, the service animal must:

- be on a leash or in a container, be under its person's control and behave appropriately;
- remain at its person's feet or on their lap, but may not sit on a vehicle seat;
- birds, reptiles, amphibians and rodents must be kept within an enclosed carrier or container;
- not show aggressive tendencies towards people or other animals.

Under control and well behaved are the defining characteristics of a service animal. The care and supervision of a service animal is solely the responsibility of its owner. In addition, clients travelling with animals are subject to the same general rules that apply to all passengers; ie., any damage or soiling caused by the animal is the responsibility of the client. If an animal is not under control or if its behavior is disruptive or menacing, PB&J can refuse service or ask the person and animal to exit the vehicle. Service animals must be kept under physical restraint by the owner at all times. Service animals that are disruptive, threatening or intimidating will be handled on a case by case discipline process.

Section 5: Transportation
Policy
5.2: Driver Training
Board Approved: February 2008

Drivers receive training as related to vehicle operation, rules and regulations, proper equipment use, safety procedures, reporting incidents and accidents, communication procedures and passenger assistance prior to operating a vehicle. Ongoing training is documented.

Section 5: Transportation
Procedure
5.2.a: Driver Training
Staff Reviewed: September 2016

Drivers receive new-hire and on-going trainings needed to perform their job duties. Staff is trained in the following topics prior to operating a vehicle and/or transporting clients:

- appropriate vehicle operations;
- rules and regulations;
- proper equipment use;
- safety procedures;
- reporting incidents and accidents;
- documentation requirements and practices;
- communication procedures; and
- passenger assistance and issues.

Ongoing training topics vary and may include subjects such as:

- de-escalation techniques;
- team collaboration
- ethics; and
- car seat installation.
- Wheelchair securement and lift operation

Drivers maintain First Aid and CPR certifications and participate in Defensive Driving training yearly.

Transportation Manager will conduct a quarterly training session to review transportation procedures.

Section 5: Transportation
Policy
5.3: Transportation Laws and Regulations
Board Approved: February 2008

Transportation services comply with all applicable federal, state and local laws, and regulations.

Section 5: Transportation
Procedure
5.3.a: Car Seats/Safety Belts
Staff Reviewed: September 2016

PB&J Transportation Services abides by the following New Mexico laws as they apply.

New Mexico Child Restraint Act: 66-7-369 (effective June 17, 2005)

Source: <http://www.safernm.org/education/acts.html>

All persons under 18 years of age must be properly secured in a child restraint device (car seat) or by a seat belt, unless all seating positions with seat belts are occupied as follows:

- Children under one year of age must be properly secured in a rear-facing car seat that meets federal standards in the back seat of the vehicle. If the vehicle does not have a back seat, the child may ride in the front seat of the vehicle if the passenger-side air bag is deactivated if possible.
- Children under five years of age, regardless of weight, and children under 40 pounds, regardless of age, shall be properly secured in a child safety seat (car seat or booster seat) that meets federal standards.
- Five and six year olds, regardless of weight, and children under 60 pounds, regardless of age, shall be properly secured in either a child booster seat or other appropriate car seat that meets federal standards.
- Children 12 years and under shall be properly secured in a car seat, booster seat, or seat belt. A child is properly secured in a seat belt if, when the child sits all the way back in the vehicle seat, the lap belt fits across his hips (not stomach), and the shoulder belt fits across the center of his chest and does not hit his neck, and his knees are bent over the edge of the vehicle seat. If the child does not fit properly in a seat belt, they should still be in a child safety seat (car seat or booster seat).

The child restraint act applies to all passenger cars, vans, and pick-up trucks. It also includes daycare vans. Authorized emergency vehicles, public transportation, and school buses are exempt.

The fine for violating the New Mexico Child Restraint Act is \$25.00, two points on the offender's license, and additional fees (depending on jurisdiction).

New Mexico Safety Belt Use Act: 66-7-372 (effective July 15, 2001)

Source: <http://www.safernm.org/education/acts.html>

Each occupant of a motor vehicle, having a gross vehicle weight of ten thousand pounds or less and manufactured with safety belts, shall have a safety belt properly fastened about his/her body at all times when the vehicle is in motion on any street or highway.

The fine for violating the New Mexico Safety Belt Use Act is \$25.00, two points on the offender's driver license, and additional fees, depending on jurisdiction.

Section 5: Transportation
Procedure
5.3.b: Vehicle Safety Equipment
Staff Reviewed: September 2016

Emergency related equipment including a first aid kit, fire extinguisher (with current inspection sticker), biohazard kit; passenger safety restraints (seat belts/car seats) and spare tire are provided. All passengers must use appropriate safety restraints at all times.

A two-way radio system is used to schedule and relay emergency information.

Drivers ensure all appropriate safety equipment is on board each operating day. If the vehicle does not have appropriate safety equipment, the Driver will attempt to obtain the equipment from PB&J inventory. If it is not obtained, the Driver will notify transportation management as soon as possible.

Maintenance of the vehicles is an important part of keeping the service efficient. A properly maintained vehicle is crucial to the daily safety of the passengers and Driver.

Section 5: Transportation
Procedure
5.3.c: Complaints
Staff Reviewed: September 2016

Regardless of whoever receives the feedback, all passenger and/or community complaints regarding transportation services, are called to the attention of the Transportation Supervisor. The supervisor informs the Driver of the nature of the complaint and work to make all reasonable efforts to remedy the situation.

Regardless of whoever receives the feedback, the person who receives it documents all client and/or community complaints on a critical incident form. Such documentation is then forwarded to the Executive Director(s). All community complaints are documented and investigated.

Any Driver receiving a community complaint may be subject to disciplinary action pending the investigation. **Any community complaint regarding reckless or careless driving by a PB&J staff member is taken very seriously.**

Section 5: Transportation
Policy
5.4: Vehicle Maintenance
Board Approved: February 2008

Routine vehicle maintenance is the responsibility of drivers assigned to PB&J vehicles, with oversight provided by the Transportation Supervisor. Maintenance is provided and documented in accordance to manufacturer recommendations.

Proper maintenance is documented and includes but is not limited to vehicle operating condition, cleanliness, emergency equipment, seat belts, car seats, and transportation communication equipment.

Section 5: Transportation
Procedure
5.4.a: Vehicle Maintenance
Staff Reviewed: September 2016

The routine maintenance of PB&J vehicles is performed at periodic intervals in order to prevent issues of safety or emergency situations. A maintenance log is utilized to record regular daily preventive maintenance tasks and is designed to keep the vehicles in suitable running order. **The success of the preventive maintenance program depends on the Driver and his/her vigilance in identifying possible problems and ensuring they are fixed before they become safety hazards.** Whenever a Driver identifies a maintenance problem, s/he will notify his/her supervisor as soon as possible in order that a plan of action be developed and implemented to address the maintenance issues.

Section 5: Transportation
Procedure
5.5.a.: Driving Practices
Staff Reviewed: September 2016

Driving practices are governed by the safety and comfort of passengers and other Drivers. Drivers adhere to legal speed limits, observing safe following, starting and stopping, loading and unloading procedures. Drivers are required to observe ordinances including but not limited to those imposed upon by Indian Reservations. Drivers do not use cell phones to initiate or receive calls or text messages while driving PB&J's vehicles.

Prevailing weather and road conditions will be considered at all times. While driving in rural areas, Drivers are required to consider curving, mountainous, muddy, unpaved and snow covered roads.

Considerable care is exercised when road hazards are encountered that might endanger the passengers or cause undue discomfort. Road hazards may include dips, bumps, and potholes that may be avoided or taken at low speed.

As a courtesy, Drivers periodically check with the passengers to determine if the vehicle is too warm or too cold. Temperature controls will be adjusted for maximum passenger comfort.

Section 5: Transportation
Procedure
5.5.b: Following Distance
Staff Reviewed: September 2016

Drivers utilize the following best practices:

- vehicles are operated at a safe distance from the vehicle in front to avoid rear end collision;
- sudden stops caused by following another vehicle too closely are unnecessary and easily avoidable;
- prevailing weather conditions are considered when judging following distances; and
- a general measurement used is one car length for every 10 miles per hour of speed. (Example: If traveling 50 miles per hour, following distance should be at least 5 car lengths behind the vehicle in front)

Section 5: Transportation
Procedure
5.5.c: Speed
Staff Reviewed: September 2016

Vehicles must adhere to the legal speed limits at all times.

Particular care is exercised in residential areas and school zones.

Should speeds lower than the posted limit be necessary due to safety considerations; Drivers take care not to unduly impede the normal flow of traffic.

Common sense, tempered with professional driving skills, is often the best measure of operating speeds.

Section 5: Transportation
Procedure
5.5.d.: Mountain Driving
Staff Reviewed: September 2016

Drivers utilize the following best practices:

- depending upon the route used, drivers may be required to operate the vehicle along curving, mountainous roads, often under adverse weather conditions;
- extreme caution is taken under such circumstances;
- speeds are reduced so as to have the vehicle under complete control at all times; and
- incorrect or improper usage of brakes or other equipment is avoided so as to not contribute to the potential for equipment or brake failure.

Section 5: Transportation
Policy
5.6: Federal Communication Commission (FCC)
Board Approved: February 2008

Transportation service providers comply with applicable Federal Communication Commission (FCC) regulations and protect the confidentiality of client information during the operation of two-way radio communications.

Section 5: Transportation
Procedure
5.6.a: Communication Equipment
Staff Reviewed: September 2016

Communication equipment (two-way radio system) is provided and used in reporting emergency situations such as a vehicle breakdown, dispatching changes in route, client cancellation of service and road conditions, and other appropriate communication necessary for the provision of efficient and safe transportation services. Current FCC regulations are observed when transmitting with this equipment.

It is the Driver's responsibility to assure that communication equipment is kept in working order. Due to risk of radio transmissions being overheard both on-site and within the community, Drivers will establish and utilize methods of communication (i.e. ID numbers or first names only) that ensure client confidentiality.

Section 5: Transportation
Procedure
5.6.b: Operation and Procedures of Two-Way Radio
Staff Reviewed: September 2016

When stopped to pick-up/drop-off passengers or when awaiting further instructions, Drivers contact the base station utilizing the following method:

- Driver: use all call letters: Driver name, Unit # to base, over;
- Base: Go ahead unit #, over...
- Driver: proceeds with message.

Should a parent not be home to receive the child, Drivers immediately notify base.

Whenever possible, Drivers use radio codes to minimize the amount of time spent on the radio.

The Driver Passenger Log is maintained in order to reflect current routes and new changes and/or additions in passengers and the destinations. Passenger logs are checked prior to each route.

Radio Breakdown

In the case of a van's radio becoming inoperable, the Driver will proceed to assigned stops and attempt to contact base by other means (i.e. cellular telephone, another van radio, etc.). The Driver will notify base and/or their supervisor as soon as possible and a plan will be made to pick-up missed clients (if needed) and repair the radio.

Section 5: Transportation
Procedure
5.7.a: Vehicle Breakdown
Staff Reviewed: September 2016

The Driver notifies base of the situation and describes their location, the probable cause of the problem and the number of passengers present in the case of vehicle breakdown. The Driver will remain with the vehicle until s/he is relieved or until the vehicle is repaired in the field.

If passengers are present, a plan will be implemented between base staff (generally the transportation supervisor) and the Driver. Another vehicle will be dispatched to pick-up passengers from the disabled vehicle.

If passengers are present, the Driver will make efforts to ensure their safety and comfort in as much as is possible. Passengers are to be notified of our efforts to remedy the situation.

Passenger safety and service are of primary consideration to the transportation system. An emergency is defined as any situation affecting service to or the safety of the passengers.

Section 5: Transportation
Procedure
5.7.b: Vehicle Collision
Staff Reviewed: September 2016

Upon any vehicle collision occurring while conducting agency business or while in an agency vehicle, regardless of whether clients are present, the Driver will report the accident and related information to the supervisor. All vehicle collisions are reported to the police. Drivers will remain on the scene of an accident until an accident report has been completed by the police. The following procedure will be used.

- if the accident involves the injury of a passenger, Driver, pedestrian, or other vehicle occupant, medical help will be immediately sought;
- report accident immediately to base;
- obtain name, address, license number, insurance information of other driver(s);
- if the vehicle involved in the collision and/or Driver are not able to transport passengers, another vehicle or ambulance (if appropriate) will be dispatched;
- if personal injuries or non-agency property damage occurs, the agency will contact those involved to indicate how the matter will be settled; and
- a critical incident report must be submitted.

Section 5: Transportation
Procedure
5.7.c: Passenger/Driver Illness/Need for Emergency Medical Assistance
Staff Reviewed: September 2016

If one or more passengers become ill or require emergency medical and/or urgent care, the Driver will:

- if indicated, proceed to the nearest medical facility or call for an ambulance;
- in all cases, obtain the name(s) and address(es) of ill passengers;
- notify supervisor concerning illness;
- notify supervisor when actions are complete; and
- receives instruction on action to take regarding other passengers.

The Base (Situation Coordinator) will:

- call the hospital, doctor, ambulance, police, etc.;
- develop a plan and instruct the Driver regarding handling of other passengers;
- access emergency contact information and notify contacts as needed.

If the Driver becomes ill or requires urgent medical care the Driver will:

- notify base/situation coordinator of their illness; and
- critically assess the situation in order to ensure the safety of passengers (i.e. whether to stop the vehicle).

The Base (Situation Coordinator) will:

- dispatch an agency vehicle to aide the ill Driver if necessary;
- dispatch another vehicle to pick-up passengers in stopped vehicle, if required; and
- arrange for another Driver, if necessary.

Section 5: Transportation
Procedure
5.7.d: Vehicle Fire
Staff Reviewed: September 2016

In the case of a vehicle fire, Drivers will:

- pull the vehicle over at the first location that allows safe passenger unloading;
- unload passengers as quickly and safely as possible, directing them to emergency exits as necessary;
- provide assistance to the non-ambulatory;
- use judgment and initiative in deciding whether or not to extinguish a minor fire;
- prioritize and ensure the safety of the passengers and themselves. (Do not risk personal injury in an attempt to extinguish the fire), and
- if possible, call the base. Base will contact the fire department. If this is not possible, the Driver will contact the fire department directly.

Section 5: Transportation
Procedure
5.7.e: Vehicle Unable to Proceed
Staff Reviewed: September 2016

During any incident in which the vehicle is in running condition, but it is immobilized and may remain so for an unknown amount of time, the Driver may determine that it is unsafe for vehicle to proceed. Such instances may include, a road blocked by an accident, high water or heavy snow.

In such instances the Driver will:

- notify their supervisor and describe the situation;
- remain with the vehicle and explain the delay to the passengers;
- make efforts to ensure the safety and comfort of passengers in as much as is possible;
- attempt to get vehicle moving (within limits of safety); and
- keep their supervisor advised of actions taken.

Section 5: Transportation
Procedure
5.7.f: Situations Not Covered
Staff Reviewed: September 2016

Whenever situations occur that are not covered by the above guidelines, Drivers will use their best judgment, with the safety of all individuals as their first priority. Transportation Supervisor should be informed of the incident as soon as possible.

Section 5: Transportation
Policy
5.8: Transportation Regulations
Board Approved: February 2008

PB&J adheres to school bus safety standards. The program's transportation regulations are provided and explained to clients and other parties involved in client transportation. The regulations are provided in a manner the clients can understand.

Section 5: Transportation
Procedure
5.9: Use of Personal Vehicles
Staff Reviewed: September 2016

Employees frequently use their personal vehicle for agency-related business. The usage varies from running errands, going to purchase supplies, attending off-site meetings and transporting clients. Such usage can subject PB&J to liability exposure and we take several steps to assure that our employees, our clients and PB&J are protected.

Employees who use their personal vehicle in the course of their work with PB&J are required to keep on file with Human Resources a current copy of their driver's license and current proof of auto insurance. Employees are required to promptly notify PB&J of any changes in their driving and/or insurance information. At least annually, PB&J reviews the driving records of all employees through the Department of Motor Vehicles to verify that the employee's driver's license is current and that there have not been any incidents in their driving record that would prevent them from transporting clients. Employees do not use cell phones to initiate or receive calls or text messages while driving vehicle.

PB&J encourages employees to be familiar with their personal automobile insurance policy and understand the coverage they carry. It is important for employees to understand that should there be an accident, their personal auto insurance will act as primary coverage.

PB&J's insurance is designed to protect PB&J's interests and liability exposure. Therefore, in a work-related accident, should the employee's personal insurance not cover all liability claims, PB&J's insurance may be engaged at that time.

If an employee files an insurance claim as the result of a work-related accident, pays a deductible for repairs and shows proof of payment, PB&J will reimburse the employee's deductible payment up to \$250 per fiscal year. *See PB&J Employee Policy Section 4.12: Use of Personal Vehicles.*

Section 11

ADMINISTRATIVE POLICIES

Section 11: Administrative Policies
Policy
11.1: Critical Incident
Board Approved: February 2008

When standard operating procedures are controverted by an incident, a written critical incident report is submitted in a timely manner to the proper internal and external authorities and in accordance with regulatory requirement. Report information is stored in a secure location and utilized for prevention and clinical purposes.

Section 11: Administrative Policies
Procedure
11.1.a: Critical Incident
Staff Reviewed: January 2017

PB&J is committed to responding to critical incidents in a timely manner in order to protect clients, staff and visitors from avoidable harm. Emergency response takes precedence over standard operational procedures.

PB&J employees are expected to respond in a timely and precautionary manner in order to minimize exposure of physical and psychological risks to clients and others. Incidents of which we are reasonably aware will be reported in order to reduce and prevent future risk.

All critical / emergency situations posing immediate and/or significant risk to clients, staff or visitors must be reported to Executive Management.

During an Incident

1. Calm yourself. Remember: your goal is to minimize harm to self and others;
2. Quickly assess the situation and observe the immediate environment;
3. Assess / ask for involved parties' immediate needs. Choose a course of action (including intensity of intervention) based upon this information;
4. When incidents involve criminal acts, pose significant safety risks or when deemed necessary by employee(s), contact local Law Enforcement Agency or call "911";
5. Do your best to provide for the safety of persons victimized, including separating the victim from an alleged perpetrator, providing necessary first aid, and / or obtaining medical care; and
6. Maintain awareness of the situation as it unfolds. Observations provide critical information for investigation, reporting and future prevention purposes. Be prepared to describe:
 - Persons involved in the incident (including physical characteristics, names, ages, clothing, etc.);
 - Names of persons witnessing the incident;
 - Any unusual activities, behaviors, or statements; and

- Persons arriving at the scene later, including emergency response personnel, and estimated time of arrival

Immediate Notifications

Notify Executive Management when:

1. Allegations of abuse, neglect or exploitation. If you become aware of or have suspicion of an incident, telephone CYFD Statewide Centralized Intake (SCI). Staff the case, document allegations and the abuse / neglect referral. *See PB&J Program Policy and Procedure Manual Section 9.1: Cases of Child Abuse, Neglect or Exploitation.*
2. Emergency services are required. Ambulance, fire department, paramedics, legal guardians, CYFD case workers, etc.

Basic Incident Reporting Requirements

The staff person(s) with the most direct knowledge of the incident completes a critical incident report as immediately as possible within a timeframe as is reasonable, but **within the same workday**.

A Critical Incident Report contains:

- the date, time and location of the incident;
- a brief description of what led to the incident;
- a specific description describing what occurred in a factual manner;
- any health / safety risks associated with the incident;
- actions taken and action plan including recommendations;
- names of additional staff involved or observing situation; and
- reporting party's signature.

Amendments to reports and other correlating follow-up documents must be dated, signed and attached to the original report.

A brief description of the situations assessment should correlate with the level of intervention and follow-up provided.

Employees and client reporting incidents are assured against retaliatory actions as a result of reporting. Retaliatory actions are strictly prohibited.

Routing Reports

- Incident reports involving clients (including suspected incidents) are given to the Clinical Director for review and filed in the critical incident notebook in the HR office;
- The Clinical Director will forward copies of reports to the Health and Safety Committee and/or treatment teams as determined appropriate. Prevention recommendations will be discussed with the Health and Safety Committee;
- Reports not involving clients, including employee Notice of Accident (*see PB&J Employee Manual Section 7.4: Reporting Employee Injuries and Accidents*) are routed to the Health and Safety Committee Chair for review, hazard and risk assessment, prevention planning, follow-up actions and trend analysis.

Types of Critical Incidents

Suspected Incidents

Report immediately to Executive Management. *See PB&J Program Policy and Procedure Manual Section 9.1: Cases of Child Abuse, Neglect or Exploitation and Section 9.2: Cases of Elderly Abuse, Neglect or Exploitation.*

- **Allegation / Suspicion of Physical Abuse:** Non-accidental contact with a client by a parent, guardian, employee, other client or reported party, which causes or has the potential to cause, physical pain, injury, or illness.
- **Allegation / Suspicion of Psychological Abuse** (verbal, emotional): Any threatening verbal or non-verbal action by a parent, guardian, employee, other client or reported party, which causes a client psychological distress. Statements include but are not limited to teasing, name-calling, and threats to harm.
- **Allegation / Suspicion of Sexual Abuse:** Sexual assault or exploitation of a client by a parent, guardian, employee, other client or reported party.
- **Allegation / Suspicion of Exploitation:** Includes sexual, financial and other exploitation of a client by a parent, guardian, employee, other client or reported party.
- **Allegation / Suspicion of Neglect:** Includes physical, medical, and / or environmental neglect of a client by a parent, guardian, employee, other client or reported party.

Suspected and/or First Hand Incidents

Report immediately to Executive Management.

- **Allegation / Suspicion of Harm to Self / Suicidal Risk or Attempt:** Includes self-mutilation; deliberate, self-inflicted injury by client without intention to end his / her life; suicidal ideation (with or without plan); suicide attempts; any act committed in an effort to cause his / her own death.
- **Allegation / Suspicion of Harm to Others/Homicide:** Includes statements and / or plan by a consumer to harm another person, includes homicide attempts.
- **Allegation / Suspicion of Ethical and Professional Code Violation and / or Infringement of client rights:** Includes confidentiality breach or disclosure of protected client information; or any breach of PB&J's Staff Code of Ethical Standards and Professional Conduct.

First Hand Incidents

Report immediately to Executive Management.

- **Environmental Hazard:** Any unsafe condition which creates an immediate threat to life or safety and includes fire, flood, natural disaster, outbreak of contagious disease, bio-hazardous accident or other problem which creates structural damage to the facility or poses health hazards. Also includes any co-informational call made to poison control regarding potential harm to a client or resulting in treatment of a client.
- **Emergency Services or Law Enforcement Intervention:** Any situation involving arrest, detention, or emergency services including unanticipated admission to a hospital, or other psychiatric facility; or the provision of emergency services requiring specialized medical treatment at an urgent care center, emergency room or by emergency medical response units.
- **Other Medical Incidents:** Adverse drug reaction, medications error, etc.

- **Personnel or Other Client Incidents:** Any human act(s) by agency personnel or clients, which presents or poses possible physical and / or psychological threat (including physical, psychological and/or sexual abuse / exploitation) of a client or employee. Incidents that include acts of physical harm to a client by employee or other clients.
- **Death of a Client:** Includes natural death, unexpected death, or suicide death.
- **Unauthorized Leave:** Client leaves service against medical advice, is missing, and/or poses a danger to self and/or others and is unable to care for self. In the case of children, this includes incidents involving their absence from care for any period of time. Also included are incidents where a child under State's custody is missing and presumed to be in the physical custody of their biological parent.
- **Accidental Injury:** Physical injury to clients which occurs on-site or while under staff care and is not deliberately caused by self, employees or other persons (includes falls).
- **Vehicular Accident:** Any vehicular accident occurring while conducting agency business regardless of whether or not personnel are in a company vehicle or transporting clients. *See PB&J Program Policy and Procedure Manual Section 5: Transportation.*
- **Violence and / or Aggression** (includes physical altercations): Any act of violence or aggression by employees or clients in which other employees and / or clients are subjected. Includes client as initiator or victim of physical attack resulting in physical injury to other client or employee.
- **Use or Possession of a Weapon:** Any use or possession of a weapon by employee or client in a treatment facility or during service provision off-site. *See PB&J Program Policy and Procedure Manual Section 7.10: Prohibition of Weapons and/or Violence.*
- **Use or Possession of Licit or Illicit Substances:** Includes use or possession of licit or illicit substances by employees or clients on-site or during service provision off-site, as well as possession of contraband in treatment facilities. *See PB&J Employee Manual Section 4.9: Substance Abuse.*
- **Fire Setting or Property Damage:** Fires started (accidental or intentional) or any damage to PB&J property while client engaged in service or during staff employment.
- **Suspension of Clients' Rights Incidents:** Any incident where a client's right (i.e. confidentiality, suspension from services, passive physical restraint / involuntary hold) is suspended.
- **Community Complaint:** Agency, PB&J personnel or Operations.
- **Client complaints of a serious nature/ Formal Grievances:** *See PB&J Program Policy and Procedure Manual Section 3.8: Client Right of Appeal/Grievance.*
- **Miscellaneous:** Media involvement, other incidents that may expose the agency to risk. *See PB&J Employee Manual Section 4.11: Coordinating Media Relations and PB&J Program Policy and Procedure Manual Section 11.4: Coordinating Media Relations.*

Prevention Efforts

Reporting near miss and other risk situations

Includes any situation that could have resulted in incidents described above without appropriate response or situations and/or re-occurrences involving clients or personnel and which may place the agency and/or clients at risk in the absence of preventative interventions. Examples include client clinical issues, risk management issues, environmental events, etc.

Reported Near Miss situations are addressed as a standing agenda item at each team meeting and forwarded to the Health and Safety Committee for recommendations and action, when appropriate.

The Health and Safety committee analyzes trends discovered as a result of quarterly review. Recommendations are forwarded to the Executive Team for action.

Incident Reporting to External Sources

PB&J reports major client incidents to appropriate external funding and/or credentialing agents within twenty-four (24) hours of Executive Management involvement. Minor incidents characterized by minor illness or injury and not requiring emergency services are not reported.

Any incidents of suspected abuse, neglect or exploitation are reported regardless of the suspected origin of the abuse, neglect or exploitation. Incidents other than abuse / neglect or exploitation are reported only when the event occurred while the client was under the direct care and responsibility of PB&J service provider(s).

Homebased and case management client incidents which did not occur during service hours, other than death of a client or abuse and neglect, are not reported externally.

Death of a client enrolled in certified services is reported immediately to Licensing and Certification Authority (LCA). Within twenty-four (24) hours, written documentation will be provided to the LCA and the Medicaid Services provider agencies.

Maintenance and Storage of Reports

Incident reports are confidential, legal documents and must be handled as such. Documents are stored in a secured incident file.

Specific reports may be placed in client case records when relevant to care. All incident reports will be handled in a manner that meets the requirements of *PB&J's Program Policy and Procedure Manual Section 3.17: Maintenance of Client Records and Section 3.18: Retention of Client Records*.

Workplace Investigations

Each incident report is reviewed upon completion. Executive Management will determine whether or not a workplace investigation is warranted. See *PB&J Program Policy and Procedure Manual Appendix: Workplace Investigation Guidelines and Form and PB&J Employee Manual Section 6.5: Workplace Investigations*.

Section 11: Administrative Policies
Procedure
11.1.b: Critical Incident Analysis
Staff Reviewed: January 2017

A summary review of all critical incident reports (with special focus on formal complaints and/or grievances) is conducted yearly to analyze causes and identify trends of incidents in order to develop action plans and address areas in need of improvement. This analysis is an important risk management and prevention activity and is a data point from which decision-making occurs.

The report will share action steps taken in response to incidents and their results. A trend analysis should include issues surrounding location, time of, personnel involved in, and types of both incidents and interventions. The report should outline further recommendations such as environmental modifications, staff training, policy or procedure changes, etc.

The Health and Safety Committee, through its annual report to the Executive Team will provide this summary analysis of incidents it has received. The Clinical Director will also provide an annual report to the Executive Team on those clinically related incidents, which were not forwarded to the Health and Safety Committee.

Section 11: Administrative Policies
Policy
11.2: Maintenance of Administrative Records
Board Approved: February 2008

PB&J provides and establishes procedural safeguards to protect and insure confidentiality of administrative records, whether records are electronically or manually maintained. Safeguards include but are not limited to:

- limitation of access to records to authorized individuals;
- maintenance of a suitable indexing and filing system;
- implementation of controls so that the locations of all essential records will be known at any time;
- secure and reasonable protection of records against fire, water damage, and other hazards; and
- implementation of routine procedures which will include the backup of electronic data files.

Section 11: Administrative Policies
Procedure
11.2.a: Maintenance of Administrative Records
Staff Reviewed: January 2017

Administrative records are stored in locked file cabinets reasonably protected against fire, water damage, and other hazards at each site, as applicable.

- the Executive Director and designees will have access to the files;
- back-ups for electronically maintained financial files are stored in a fire-proof locking safe;
- procedures for indexing and filing are consistent with recognized office procedures including personal computer access codes;
- files remain locked, except during regular office hours; and
- specific permission must be granted by the Executive Director or designees to view files.

Section 11: Administrative Policies

Procedure

11.3: Documentation and Retention of HIPAA Documentation

Staff Reviewed: January 2017

The CPO and/or designee maintain originals of the following for six years from the date of creation or from the date they were last in effect:

- all PB&J privacy policies and procedures and related forms;
- PB&J's Notice of Privacy Practices including all revisions made to the notice;
- privacy-training reports for workforce members;
- workforce members disciplinary action as a result of improper disclosure of PCI;
- standard protocols for the routine or recurring use or disclosure of PCI; and
- written client complaints regarding PB&J privacy practices.

Section 11: Administrative Policies
Policy

11.4: Coordinating Media Relations

Board Approved: February 2008

The Executive Director, or the President of the Board of Directors (or a Board Member designated by the President) if the Executive Director is not available, will be the coordinating source for all media relations, news releases, inquiries or announcements.

Section 11: Administrative Policies
Procedure

11.4.a: Coordinating Media Relations

Staff Reviewed: January 2017

Generating Media Communications – The positive image of the agency depends in part upon effective media relations. The agency's media relations policy and procedures are part of our strategy designed to enhance the agency's image and credibility among all public and private audiences. Media message from PB&J may be issued only by the Executive Director or a pre-approved designated representative.

Handling Media Inquiries – Under no circumstance should media inquiry relating to any of PB&J's programs be answered without prior consultation with the Executive Director or President of the Board of Directors.

Discussion of Circumstance or Cause – PB&J employees, volunteers, or Board members will not speculate regarding the circumstances surrounding or cause of any crisis, disaster, accident, or incident. Only when outside personnel (fire, police departments) have ascertained the cause of a particular disaster will statements be made to the media, and only by a pre-approved authorized PB&J representative.

Release of Information – The Executive Director or President of the Board of Directors will control the release of all information regarding a crisis, accident, incident or disaster situation. Protection of clients, employees and confidential agency documents/information will be of primary consideration.

Emergency Notification – Notification of any serious agency emergencies should follow the following reporting sequence;

1. The Executive Director should be notified first. If the Executive Director is unavailable, the President of the Board will be informed of the nature of the emergency.

2. Arrangements will be made by the Executive Director, President of the Board or designee to contact all Board of Directors within twelve hours of the emergency.

Section 11: Administrative Policies

Procedure

11.4.b: Prevention of Misrepresentation in Media Relations

Staff Reviewed: January 2017

It is not the intent of the media relations policy to restrict in any way what an employee may communicate to their friends or family, or coworkers, the reality is that whatever is posted on the internet, no matter how much control the poster seems to have at the time of the post, can be and often is used for negative purposes. The person posting to a social media site relinquishes control of the information as soon as it is posted. Because of the nature of the technology involved, the content of posts made to the internet are, for all intents and purposes, public and permanent in nature, even if they are not intended to be when initially posted. It is this public and permanent nature which makes it necessary to urge caution and common sense when posting to social media sites to prevent employees from being mischaracterized as if they are speaking for the agency when they are neither intending to do so nor authorized to do so. Remember that employee posts on social media sites may form the perception of this agency in the community.

Employees are reminded that activity on social media sites should not interfere with their own work or that of their co-workers', nor should it interfere with the agency's operations. Employees are prohibited from disclosing confidential agency information via social media sites or through any other unauthorized means. Additionally, employees should be aware that all of the agency's policies prohibiting discrimination, harassment, or hostility on account of age, religion, sex, sexual orientation, nationality, disability, or other protected basis apply to information posted on social media sites.

Section 11: Administrative Policies
Policy

11.5: Protocol for Investigations of Allegations of Potential Child Abuse,
Neglect or Exploitation by PB&J Personnel

Board Approved: April 2009

PB&J promptly and properly investigates and reports as required, any suspicion of child abuse or neglect allegedly committed by PB&J personnel.

Section 11: Administrative Policies
Procedure

11.5.a: Protocol for Investigations of Allegations of Potential Child Abuse,
Neglect or Exploitation by PB&J Personnel

Staff Reviewed: January 2017

In the event of allegations or direct knowledge of child abuse, neglect or exploitation being committed by PB&J personnel, the following procedure shall be followed:

Should a client complaint precipitate, or a co-worker/supervisor have reason to believe that a PB&J employee engaged in child abuse, neglect or exploitation, an immediate workplace investigation will occur. *See PB&J Employee Manual Section 6.5: Workplace Investigation and PB&J Program Policy and Procedure Manual Section 11.1: Critical Incident.*

PB&J must assess and document investigation results within 24 hours. The workplace investigation will assess the following:

- the immediate safety of the clients, staff, and/or the agency;
- whether there is reason to believe that abuse, neglect or exploitation took place; and
- duration of employee suspension from employment pending further investigation;

PB&J will immediately report the results of its investigation to external authorities as required by state or federal laws.

PB&J Procedures during External Investigations

If an external authority determines further investigation is warranted, PB&J will:

- make available to appropriate authorities necessary records and pertinent information not deemed privileged; and
- cooperate with reasonable investigative procedures.

See PB&J Program Policy and Procedure Manual Section 9.1: Cases of Child Abuse, Neglect or Exploitation and Section 9.2: Cases of Elderly Abuse, Neglect or Exploitation. Failure to report suspected child and/or elder abuse, neglect or exploitation may lead to disciplinary action up to and including termination.

Section 11: Administrative Policies
Policy

11.6: HIPAA Compliance Plan

Board Approved: February 2008

PB&J has developed a system of safeguards, policies, training, and sanctions to guard data integrity, confidentiality and availability.

Section 11: Administrative Policies
Procedure

11.6.a: HIPAA Compliance Plan

Staff Reviewed: January 2017

PB&J's HIPAA compliance plan consists of and is implemented through various program and personnel policies and procedures, as well as agency training plans, all of which ensure agency compliance with HIPAA. PB&J Program Policies and Procedures include but are not limited to:

- Section 3.2: Client Rights of Confidentiality/HIPAA
- Section 3.5: HIPAA Rights – Voluntary
- Section 3.6.a: Alternate Means of Communication (HIPAA)
- Section 3.8: Client Right of Appeal/Grievance
- Section 3.10.a: Minimum Necessary Information
- Section 3.11: Release of Information
- Section 3.12: Client Access to Family Files
- Section 3.13.a: Uses and Disclosures to Business Associates
- Section 3.14.a: Accounting of Disclosures (HIPAA)
- Section 3.15.a: Amending PCI (HIPAA)
- Section 3.16.a: Setting Restrictions (HIPAA)
- Section 3.16.b: Terminating Restrictions
- Section 11.3: Documentation and Retention of HIPAA Documentation
- Section 11.7: Security of Individual Health Information
- Section 11.8: Research
- Section 11.9: De-Identified Protected Client Information
- Appendix: Glossary
- Appendix: Notice of Privacy Practices

Section 11: Administrative Policies
Policy
11.7: Security of Individual Health Information
Board Approved: February 2008

PB&J is a covered entity under the Health Insurance Portability and Accountability Act (HIPAA) Privacy Rule. PB&J has policies and procedures that comply with the requirements of the Rule and trains all workforce members in the application of these policies and procedures. These policies and procedures are updated whenever the HIPAA Privacy Rule changes or when PB&J's privacy practices change, provided those practices are in compliance with the HIPAA Privacy Rule.

PB&J does not require clients to waive their rights under the HIPAA Privacy Rule as a condition of the provision of services. Furthermore, PB&J mitigates, to the extent practical, any harmful effect it is aware of from the use or disclosure of protected client health information that violates PB&J's privacy policies and procedures, whether the use or disclosure was made by a workforce member or by a PB&J business associate.

Section 11: Administrative Policies
Procedure
11.7.a: Security of Individual Health Information (HIPAA)
Staff Reviewed: January 2017

PB&J has a variety of procedures which serve to secure individual health information (including protected client information).

All staff is trained in HIPAA regulations as well as PB&J's policies regarding security of private information. Staff shall take every reasonable measure to safeguard protected information from any intentional or unintentional use or disclosure that is in violation of the standards.

Section 11: Administrative Policies
Procedure

11.7.b: Privacy Officers

Staff Reviewed: January 2017

PB&J has designated a Chief Privacy Officer (CPO). The CPO, and or their designee, is responsible for the following:

- development and implementation of the privacy policies and procedures;
- training all members of the PB&J workforce (existing and new) regarding PB&J's privacy policies and procedures that are appropriate for their functions in the agency;
- receiving client complaints regarding rights guaranteed under PB&J's privacy policies and procedures,
- conducting periodic audits of compliance with PB&J's privacy policy and procedures;
- and

Section 11: Administrative Policies
Procedure

11.7.c: Workforce Training

Staff Reviewed: January 2017

All PB&J employees shall complete HIPAA Privacy training as follows:

- members of the PB&J workforce hired prior to April 4, 2003 shall complete HIPAA Privacy training no later than April 14, 2003.
- new employees shall receive the training within five (5) working days of hire;
- members of the PB&J workforce whose job functions change shall receive additional role-specific training within ten (10) working days of the change in job functions; and
- non-workforce volunteers shall receive Basic HIPAA Privacy Training within five (5) days of placement.

Documentation of completion of training for each member of the PB&J workforce shall be maintained in individual personnel files. *See PB&J Employee Manual Section 5.6: Competency Training Regulations.*

Section 11: Administrative Policies
Procedure
11.7.d: Workforce Sanctions
Staff Reviewed: January 2017

Inadvertent Disclosure

Employees who fail to comply with PB&J's privacy policies and procedures are subject to disciplinary action under PB&J's employee corrective discipline policy. *See PB&J Employee Manual Section 6.1: Corrective Discipline.* In addition to documentation required by the disciplinary process, the CPO shall maintain documentation of the sanctions that are applied, if any.

Non-employee workforce members who inadvertently disclose PCI shall be given a written notice and additional training after their first offense. After the second offence, the non-employee workforce member may be dismissed.

Deliberate Disclosure

A workforce member (employee or non-employee) may be discharged from employment/service if unauthorized, deliberate disclosure of PCI is determined through a workforce investigation process.

Staff and clients are protected against adverse impact or retaliation as a result of participating in workplace investigations. *See PB&J Employee Manual Section 6.5: Workplace Investigations.*

Section 11: Administrative Policies
Policy

11.8: Research

Board Approved: February 2008

We, the Board of Directors of PB&J, recognize that research projects in which clients of the agency participate may yield important information which will be of help to those clients or to future clients in similar situations and to the staff of PB&J. For this reason, we will consider for approval research proposals which have been approved by the researcher's Institutional Board and approved by the Research Review Committee of PB&J.

Section 11: Administrative Policies
Procedure

11.8.a: Research

Staff Reviewed: January 2017

All proposed research projects will be presented to the Executive Director to determine whether the project is appropriate for PB&J. The Executive Director will then present the research project to the Research Review Committee of PB&J. They will review the research project and inform the program of their decision.

All research projects must comply with the agency's Code of Ethical Standards and Professional Conduct as well as HIPAA and other regulations.

Section 11: Administrative Policies

Procedure

11.9: De-identified Protected Client Information

Staff Reviewed: January 2017

PB&J may use PCI to create information that is not individually identifiable health information as long as the information cannot be used to reconstruct the identity of any client. Information shall be considered de-identified if it is stripped of critical data elements that could be used to identify the client or relatives, employers, or household members of the client:

- Any unique identifying number, characteristic, code or other data, including:
 - names;
 - all geographic subdivisions smaller than a state, including street address, city, county, precinct, and zip code;
 - all elements of dates (except year) for dates directly related to a client, including birth date, admission date, discharge date, date of death; and all ages over 89 and all elements of dates (including year) indicative of such age, except that such ages and elements may be aggregated into a single category of age 90 or older;
 - telephone numbers;
 - fax numbers;
 - e-mail addresses;
 - social security numbers;
 - medical record numbers;
 - health plan beneficiary numbers;
 - account numbers;
 - certificate/license numbers;
 - vehicle identifiers and serial numbers, including license plate numbers;
 - device identifiers and serial numbers;
 - web Universal Resource Locators (URLs);
 - Internet Protocol (IP) address numbers;
 - biometric identifiers, including finger and voice prints; and
 - full face photographic images and any comparable images; and
- Any information that can be used alone or in combination with other information to identify a client who is a subject of the information.

Section 11: Administrative Policies
Policy

11.10: Legal Requirements

Board Approved: February 2008

As a non profit organization, PB&J adheres to its registered Articles of Incorporation and Bylaws, which legally regulate the organization. As a responsible organization, PB&J conforms to requirements articulated in contract mandates. Accordingly, an annual independent audit is conducted and the final document is reviewed and accepted by the Board of Directors.

Appropriate corrective action is initiated as needed. *See PB&J Program Policy and Procedure Manual Section 13.5: Annual Fiscal Audit.*

Section 11: Administrative Policies
Policy

11.11: External Audit Response

Board Approved: February 2008

PB&J receives an exit report in the event of an external audit. If there is corrective action requested, management will formulate an action plan to coordinate the follow-up.

PB&J has the right to challenge an audit as detailed in external audit standards.

Section 11: Administrative Policies
Procedure

11.11.a: External Audit Response

Staff Reviewed: January 2017

The Executive Team is responsible for utilizing information from external audits for use in programmatic decision making. In as such, at least one Executive Team member shall be present at every external audit exit interview. As well, staff shall ensure that written exit reports are directed to the attention of an Executive Team member.

Regardless of the format of the external audit feedback, the Executive Team member who is directly involved shall provide feedback to the Executive Director within the same working day. As well she/he shall bring the feedback to the next Executive Team meeting.

If corrective action and/or recommendations are requested, the team shall formulate an action plan (with specific timelines and person(s) responsible) to address the request.

The Executive Director shall assign appropriate staff to address the challenge. The Executive Team shall provide their input. Activities, responses and outcomes shall be documented.

If the results are positive, the team shall formulate an action plan (with specific timelines and person(s) responsible) to notify and/or acknowledge staff.

Section 11: Administrative Policies
Policy
11.12: Use of Volunteers
Board Approved: February 2008

PB&J may use volunteers as appropriate.

Section 11: Administrative Policies
Procedure
11.12.a: Use of Volunteers
Staff Reviewed: January 2017

All volunteers are interviewed by the Human Resources Director or his/her designee and assigned a placement and supervisor. Placement will be made based on the volunteer's interest. Long term volunteers have the opportunity for specific training experiences.

Volunteers will be oriented by the Human Resource Director, and/or his/her designee concerning all aspects of PB&J's procedures including confidentiality and HIPAA. Volunteers will not have access to client files without permission of their staff supervisor.

Volunteers working in excess of 20 hours per week will have a file maintained containing relevant information which may include but may not be limited to emergency contacts, background checks, job description, etc. Files are kept separate from paid employee files.

Section 11: Administrative Policies
Policy
11.13: Student Training
Board Approved: February 2008

Students from accredited educational institutions may be accepted to work at PB&J sites.

Section 11: Administrative Policies
Procedure
11.13.a: Student Training
Staff Reviewed: January 2017

Students are invited to engage in training opportunities at our sites. In general, the time, type and depth of experience and supervision is flexible, to be worked out for the mutual benefits of the student and the agency. In all cases, students will be under the jurisdiction of the Program Director or his/her designee and face to face supervision between the staff supervisor and the student will be ongoing.

In many cases, other agencies are involved with our clients. The relationships we share are generally cooperative and for the purpose of offering the most comprehensive services possible to our families. The student's role in these relationships will be determined between their staff supervisor and the student.

All written assignments relating to PB&J families must be submitted to the PB&J supervisor prior to their submission. It is most essential never to submit written reports to another agency without the supervisor's prior approval. All case material on PB&J families must be disguised in order to protect client confidentiality rights.

All policies on client rights must be strictly enforced.

Section 11: Administrative Policies
Procedure
11.14.a: Specialized Consultants
Staff Reviewed: January 2017

When deemed appropriate for the continued improvement of business operations and program management, PB&J will engage specialized consultants for advice and assistance. All consultants engaged by PB&J to perform work on a contract basis and who have access to PCI will sign a Business Associate Agreement in accordance with HIPAA guidelines.

Van Maintenance

1. Oil changes will be scheduled at 4500 miles and done *no later* than 5000 miles(especially for 5310 vans).
2. Tire rotation will be done every 7000 miles.
3. Transmission service will be done every 30,000 miles.

PRE-TRIP INSPECTION SHEET

Name _____ Vehicle# _____ Date _____

UNDER THE HOOD

BAD ?	SAFE	ITEM TO BE CHECKED	WHAT TO LOOK FOR
___	___	Fluid Leaks	Puddles on the ground under the bus
___	___	Oil Level	Add only if below "add" mark on dipstick
___	___	Belts Alt. & P. Steering	Should be tight & free of cracks & chips on inside surface
___	___	Power Steering Fluid	Note "Full Cold" & "Full Hot" marks on the dipstick
___	___	Coolant Level	Note "Full Cold" & "Full Hot" marks on the reservoir
___	___	Battery	Fluid level, corrosion & cables should be tight
___	___	Windshield Washer Fluid	Check the level
___	___	Hoses & Miscellaneous	Cracks, swelling or leaks in hoses. Broken or loose things
___	___	Automatic Transmission Oil	Check with vehicle level, transmission warm & engine idling in park. Does the fluid look brown or smell burnt?

FROM THE DRIVER'S SEAT

BAD ?	SAFE	ITEM TO BE CHECKED	WHAT TO LOOK FOR
___	___	Brake Warning Light	Lights with the key in the "cranking" position
___	___	Brake Light & Back Up Lights	Have someone check visually, or use a mirror
___	___	Turn Signal Indicators	Check only the indicators on the dash
___	___	Wipers & Washers	Check both speeds, look for streaks. Check washer aim
___	___	Fans	Check all speeds by sound
___	___	Mirrors & Front Windows	Are they clean & unbroken? Are mirrors adjusted?

TURN ON THE HEADLIGHTS OR BRIGHTS, HAZARD FLASHERS AND CLEARANCE LAMPS

WALK AROUND THE VEHICLE

BAD ?	SAFE	ITEM TO BE CHECKED	WHAT TO LOOK FOR
___	___	Adjust Outside Mirrors	Use the driver's seat as a reference
___	___	Wheels	Check the tread depth & uniformity. Check lug nuts.
___	___	Tire Pressure	R. Front ___ L. Front ___ L. Rear ___ R. Rear ___
___	___	All Lamps	Blown out bulbs or broken lenses
___	___	Differential & R. Wheel Leaks	Gear oil on differential or inside surface of rear wheels
___	___	Emergency Door	Check for sound of buzzer in case of opening
___	___	Exhaust	Put foot over pipe & feel pressure & listen for leaks
___	___	Lift	Operate down & up, look for low power, loose joints or binding
___	___	Body	It is clean? Are there new dents or scrapes?

BACK ON THE BUS

BAD ?	SAFE	ITEM TO BE CHECKED	WHAT TO LOOK FOR
___	___	Rear Windows, Seats & Floor	Are they clean? Are there cracks in windows, or cuts on seats?
___	___	Escape Windows & Vents	Check for ease of opening & sound of buzzers
___	___	Fire Extinguisher	Charge indications. Shake or lightly pound it
___	___	First Aid Kit	Is it complete? Are there wrappers on the packets?
___	___	Triangular reflectors	Cracks or broken pieces
___	___	Gauges on the Dash	Fuel level, coolant temperature, charging rate & oil pressure
___	___	Horn(s)	Listen for both tones
___	___	Dash Lights	Bad bulbs & variable adjustment
___	___	Brakes	Pulling or grabbing
___	___	Steering	Looseness or pulling

- ___ Always remember to check Tires & Spare Tire Daily
- ___ Check Seatbelt Cutter once a week
- ___ Check Shocks once a week
- ___ Check Bio Hazard Kit once a week
- ___ Check Seat Belts once a week
- ___ Check flashlight and reflective vest once a week

DRIVER'S MAINTENANCE LOG

DATE:

DRIVER'S NAME:

UNIT NO:

WHAT WAS DONE TO VEHICLE:

BUSINESS NAME:

TOTAL PARTS AND LABOR:

MILEAGE:



PB&J Family Services Inc.

PB&J
FAMILY SERVICES

COMMUNITY AGENCY INCIDENT REPORT (CAIR)

(Please type or print legibly)

Section I, Identifying Information

Program: ☐ Core Bern ☐ Core SE ☐ Core SV ☐ Home Visiting
☐ Homebased SV ☐ Homebased SE ☐ Homebased Bern ☐ TLR
☐ Pre-K ☐ JCC ☐ Pathways ☐ Responsible Fatherhood
☐ Art Therapy ☐ City of Albuquerque ☐ Supported Living ☐ FSS_CBCAP

Site: ☐ South Valley ☐ Bernalillo ☐ Southeast Heights ☐ Father's Building Futures

☐ Other location (please describe and provide address): _____

Address: _____ City, State _____ Zip Code: _____

(Select from group 1 or group 2, not both)

Type of Incident:

or

Group 1 (Forward to QI)

ABUSE

- ☐ physical
- ☐ sexual
- ☐ verbal
- ☐ emotional

NEGLECT

- ☐ physical
- ☐ medical
- ☐ environmental

EXPLOITATION

- ☐ financial exploitation

Emergency services required?

All must be reported to APS/CPS Central Intake/
(for notifications see Section 3)

Group 2 (Forward to Health & Safety)

DEATH

- ☐ unexpected
- ☐ natural/expected
- ☐ suspected abuse or neglect
[call APS/CPS]

OTHER REPORTABLE

- ☐ not suspected of abuse or neglect
- ☐ environmental hazard
- ☐ law enforcement intervention
- ☐ other, explain: _____

Client Information:

Name of Client: _____
First Middle Last

Client ID: _____ Family ID: _____ Gender: ☐ Male ☐ Female Date of Birth: _____

Residence Address: _____ Phone: _____
Street Address City, State Zip

Section II, Description of Incident

(Staff person with most direct knowledge of incident fill out this section)

Person responsible for client's support at time of incident: _____

Date incident occurred: _____ Time: _____ ☐ AM ☐ PM ☐ Unknown

Where did the incident happen? [check one] ☐ Consumer's Home ☐ Family's Home ☐ Vehicle ☐ Worksite

☐ Community Activity ☐ Day Program ☐ School ☐ Hospital ☐ Unknown ☐ Other: _____



PB&J
FAMILY SERVICES

PB&J Family Services Inc.

COMMUNITY AGENCY INCIDENT REPORT (CAIR)

(Please type or print legibly)

Who else was present at the time of the incident?

<u>Name</u>	<u>Title or Relationship</u>	<u>Phone</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

Describe what you saw and/or what you heard in order of occurrence:

Before the incident:

During the incident:

Description of Intervention/First Aid administered:

After the incident:

Follow-up actions: (describe actions to protect/treat the individual, including medical intervention if any)

Person completing section II: _____ Phone: _____ Title or Relationship: _____

Section III, Notifications

	<u>Persons Contacted</u> First & Last Name	<u>Date</u>	<u>Time</u>	<u>Person Making Contact</u>
APS/CPS Statewide Central Intake (abuse, neglect, exploitation only) (800-797-3260):	_____	_____	_____	_____
DOH Fax (800-584-6057) Or (505-827-1491):	_____	_____	_____	_____
Legal Guardian/Parent/Foster Parent:	_____	_____	_____	_____

Phone: _____ Agency: _____ Street Address: _____ City, State, Zip: _____



PB&J
FAMILY SERVICES

PB&J Family Services Inc.

COMMUNITY AGENCY INCIDENT REPORT (CAIR)

(Please type or print legibly)

	<u>Persons Contacted</u> First & Last Name	<u>Date</u>	<u>Time</u>	<u>Person Making Contact</u>
Case Worker/ Social Worker: Agency: _____	_____	_____	_____	_____
Phone: _____ Street Address: _____ City, State: _____				Zip: _____
Law Enforcement: Agency: _____	_____	_____	_____	_____
DOH Licensing & Certification:	_____			
PB&J Safety Committee:	_____			
Other:	_____	_____	_____	_____

Section IV, Administrative Information

Funding Sources: [please check all that apply]: ☐ CYFD Licensing & Certification ☐ Behavioral Health ☐ DD Early Childhood
☐ Family Infant Toddler ☐ Other: _____

Follow-Up Actions Taken: [other than actions described in section II, describe administrative, health & safety, and treatment actions taken to address the incident, protect, or address the current health status of the initial 24 hours]:

Plans for Follow-Up Action:

Person completing section IV: _____ Phone: _____ Title or Relationship: _____

Date: _____ Time Form was Completed: _____

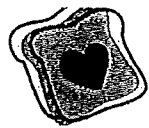
Reviewed By: _____ Date: _____

Site Director: _____ Date: _____

Immediate Supervisor: _____ Date: _____

Health & Safety Committee: _____ Date: _____

Additional information may be faxed to DOH/DHI at 800-584-6057 or 505-827-1491. Please reference the consumer and the date of the incident.



PB&J
FAMILY SERVICES

PB&J Family Services, Inc Community Complaint

Part I

General Information

Date Received: ____/____/____

Date Occurrence: ____/____/____

Vehicle Description and Location: _____

Nature of Complaint: _____

Complainant Name: _____

Address: _____

Phone: _____

Staff Person Receiving Complaint: _____

Part II

Action Taken

Verified Driver Name: _____

Vehicle #: _____

Previous Complaint: _____

Summary and Action Taken: _____

